Valbridge
PROPERTY ADVISORS

Appraisal Report

Berkley Riverfront

NEQ of East Front Street and River Front Road
Kansas City, Jackson County, Missouri 64120

PortKC
Mr. Joe Perry
300 Wyandotte Street, Suite 100
Kansas City, Missouri 64105

Effective Date(s) of Valuation
October 4, 2017

Valbridge Property Advisors | Kansas City

10990 Quivira Road, Suite 100
Overland Park, Kansas 66210
913-451-1451
913-529-4121 fax

valbridge.com

Valbridge File # KS-17-0520

October 11, 2017

Mr. Joe Perry
PortKC
300 Wyandotte Street, Suite 100
Kansas City, Missouri 64105

Re: Market value of the fee simple estate in the vacant land located in the NEQ of East Front Street and River Front Road in Kansas City, Jackson County, Missouri 64120.

Project Number – KS-17-0520

Dear Mr. Perry:

In accordance with your authorization, we have conducted the investigation necessary to form an opinion of the market value of the fee simple estate a*s is* in Lots 3, 4, 5, 6, 7, 8, 9, 10, 12, and 13, which comprise the subject property. In addition, we have briefly discussed the potential impact on the marketability of the subject due to a proposed streetcar extension that would serve the Berkley Riverfront project.

The appraisal report was prepared in accordance with the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.

The client is PortKC. The report was prepared for PortKC to assist in applying for a federal grant. The property was inspected by and the report was prepared by Daniel Kann, MAI MSRE.

Valbridge Property Advisors | Kansas City has not performed services regarding the subject property within the three-year period immediately preceding acceptance of the assignment. In addition, we have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.

Our valuation of the subject property considered the best information that was available at the time of our analysis. Users of this appraisal should consider the current market when determining the level of confidence they choose to place on these analyses and conclusions. Users are reminded that the appraisal conclusions in this report are effective as of the stated date(s) of valuation.

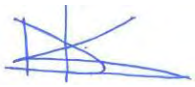
As part of the Tiger Grant, we have valued each lot based on its individual retail value to an end user and have not discounted or accounted for a bulk purchase of the aggregate property. In addition, the value of the entire property is not the sum of the individual lot values. The following table reports the individual retail value per lot.

Valuation Approach	Effective Date of Value	Lot	Size (SF)	Size (Acres)	Value / SF	Final Value Indication
Sales Comparison	October 4, 2017	3	113,695	2.61	$25.00	$2,840,000
Sales Comparison	October 4, 2017	4	122,575	2.81	$25.00	$3,060,000
Sales Comparison	October 4, 2017	5	121,214	2.78	$25.00	$3,030,000
Sales Comparison	October 4, 2017	6	81,465	1.87	$25.00	$2,040,000
Sales Comparison	October 4, 2017	7	18,090	0.42	-	-
Sales Comparison	October 4, 2017	8	308,337	7.08	$20.00	$6,170,000
Sales Comparison	October 4, 2017	9	198,887	4.57	$22.50	$4,470,000
Sales Comparison	October 4, 2017	10	66,740	1.53	-	-
Sales Comparison	October 4, 2017	12	687,957	15.79	$17.50	$12,040,000
Sales Comparison	October 4, 2017	13	43,688	1.00	-	-

*Lots 7, 10, and 13 will be used for infrastructure and public space and have been accounted for in the value conclusion of each individual lot.

This letter is invalid as an opinion of value if detached from the report, which contains the text, exhibits, and Addenda.

Sincerely,
Valbridge Property Advisors | Kansas City

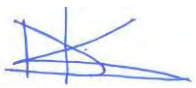


Daniel Kann, MAI MSRE
Director - Multifamily Valuation
Missouri No. 2013034806
DKann@Valbridge.com

CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial and unbiased professional analyses, opinions and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results. Furthermore, my engagement was not conditioned upon the appraisal producing a specific value, a value within a given range or the approval of a loan.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Uniform Standards of Professional Appraisal Practice (USPAP) as well as the appraisal guidelines set forth in the Financial Institutions Reform Recovery Enforcement Act (FIRREA).
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- No one provided real property appraisal assistance to the person(s) signing this certification.
- Daniel Kann, MAI MSRE made a personal inspection of the property that is the subject of this report.
- As of the date of this report, Daniel Kann, MAI MSRE has completed the continuing education program of the Appraisal Institute for designated members.
- Valbridge Property Advisors | Kansas City has not performed services regarding the subject property within the three-year period immediately preceding acceptance of the assignment.



Daniel Kann, MAI MSRE
Director - Multifamily Valuation
Missouri No. 2013034806

EXTRAORDINARY ASSUMPTIONS AND HYPOTHETICAL CONDITIONS

Extraordinary Assumption: An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis.

- We were not provided with Title Report, Site Survey, or Phase I Environmental Report. For the purpose of this report it is assumed that no environmental contamination, encroachments, or encumbrances are present that would adversely impact the value and use of the property. If this is found to be false, our value conclusions could require revision.

- The subject is currently zoned M1-5, Manufacturing District. According to the listing broker and the client, the subject land has been approved for a zoning overlay of MPD, Master Planned Development. The value conclusions assume that the zoning overlay has been approved and is in full force and effect at the time of valuation. If this is found to be false our value conclusions could require revision.

- We have valued the sites as an individual lot to an end user based on current market data and have not accounted for an extended holding period in our analysis. As part of the Tiger Grant we have not discounted or accounted for a bulk purchase of the aggregate property.

- The subject is located in the urban core of the Kansas City MSA. Market fundamentals do not currently support the cost of new construction in the urban core. This is shown by existing and planned projects receiving economic incentives (tax abatement, TIF, tax credits, etc.) to fill the feasibility gap between cost and value. Since economic incentives are required for most improved uses and other improved projects are relying on incentives, our value conclusions assume that similar economic incentives, if required, will be available to the buyer of each site. If this is found to be false our value conclusions could require revision.

Hypothetical Condition: That which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.

- At the time of valuation the subject consists of a larger parent parcel that has yet to be subdivided into developable sites. According to the client, the tract will be subdivided into 13 sites and will be graded and shovel ready for development. The value conclusions assume that the replatting and site work has been completed at the time of valuation. If this is found to be false our value conclusions could require revision.

- As part of the assignment, we have briefly discussed the potential impact on the marketability of the subject due to a proposed streetcar extension that would serve the Berkley Riverfront project. Our analysis is based on the hypothetical condition that the streetcar extension has been approved and completed on the effective date of value. If this is found to be false our value conclusions could require revision.

TABLE OF CONTENTS

TABLE OF CONTENTS	1
INTRODUCTION	2
SUBJECT PHOTOS	6
SITE DESCRIPTION	8
TAXES AND ASSESSMENT DATA	12
TARGET MARKET	13
MULTIFAMILY MARKET CYCLE	15
KANSAS CITY APARTMENT MARKET OVERVIEW	17
MARKET AREA OVERVIEW	21
EMPLOYMENT & LABOR DATA	31
HIGHEST AND BEST USE	39
APPRAISAL PROCESS	42
SALES COMPARISON APPROACH – LAND VALUE	43
TRANSIT ORIENTED DEVELOPMENT (TOD)	48
RECONCILIATION	51
GENERAL ASSUMPTIONS AND LIMITING CONDITIONS	52

INTRODUCTION

Identification of the Subject Property

The subject is a vacant tract of land located in the NEQ of East Front Street and River Front Road in Kansas City, Jackson County, Missouri. The property is located in the urban core of the Kansas City MSA and is part of the Berkley Riverfront Park, which is owned and operated by the Port Authority of Kansas City, Missouri. At the time of valuation the subject consists of a larger parent parcel that has yet to be subdivided into developable sites. According to the client, the tract will be subdivided into 13 sites and will be graded and shovel ready for development. The following table summarizes the subject property for the purpose of this report.

Address	Lot	Size (SF)	Size (Acres)	Zoning	Zoning Overlay	Intended Use
Not Assigned	3	113,695	2.61	Manufacturing1-5	Master Planned Development - MPD	Mixed Use
Not Assigned	4	122,575	2.81	Manufacturing1-5	Master Planned Development - MPD	Mixed Use
Not Assigned	5	121,214	2.78	Manufacturing1-5	Master Planned Development - MPD	Mixed Use
Not Assigned	6	81,465	1.87	Manufacturing1-5	Master Planned Development - MPD	Mixed Use
Not Assigned	7	18,090	0.42	Manufacturing1-5	Master Planned Development - MPD	Public Assembly / Amenity
Not Assigned	8	308,337	7.08	Manufacturing1-5	Master Planned Development - MPD	Mixed Use
Not Assigned	9	198,887	4.57	Manufacturing1-5	Master Planned Development - MPD	Mixed Use
Not Assigned	10	66,740	1.53	Manufacturing1-5	Master Planned Development - MPD	Storm Water
Not Assigned	12	687,957	15.79	Manufacturing1-5	Master Planned Development - MPD	Mixed Use
Not Assigned	13	43,688	1.00	Manufacturing1-5	Master Planned Development - MPD	Storm Water

*Parcels 1 and 2 are excluded from our analysis and are currently being improved with a mixed use project

The following rendering depicts the Riverfront and subject property at full build out in 2031.

Berkley Riverfront Park

The Richard Berkley Riverfront Park was dedicated October 1998 and opened to the public in March 1999. The 17-acre park is located on the south bank of the Missouri River between the Kit Bond Bridge and Heart of America Bridge. The area was once a landfill for construction debris and the former site of a sand and gravel company. The new park now consists of trees, a small natural amphitheater, and a nearly one-mile long esplanade with period lighting.

The Riverfront Heritage Trail is a system of bicycle and pedestrian paths designated throughout the urban core of Kansas City for scenic and recreational use that connect residential, commercial, and retail activities and destinations along the bi-state Kansas City urban riverfront. The ASB Underpass was created to link the Heritage Trail system to downtown Kansas City via a pedestrian and bicycle trail under the BNSF ASB Bridge.

The park hosts events such as RiverFest, Kansas City's annual Independence Day Celebration, and several other annual events. Since 2014, the number of annual events (20) and visitors (10,000) has grown as the urban core and Riverfront continue to be built out.

Ownership
The owner of record is The Port Authority of Kansas City, Missouri. The Port Authority (Port KC) was created as a public body according to Chapter 68 of the Revised Statutes of the State of Missouri with the powers granted to it by the City Council of Kansas City, Missouri. It is a political subdivision of the state of Missouri functioning in the role of a public interest developer for the benefit of Kansas City.

Sales History
The subject sites are currently listed for sale with Cushman and Wakefield as an unpriced offering. According to the listing broker, the sites have generated interest from several multifamily developers with pricing in the $20 to $30 per square foot range. The median per square foot value conclusion of $25.00 based on a median lot size is within the range of current pricing of similar sites in the urban core. To our knowledge there are no other known transfers in the past three years.

Economic Incentives
The sites are not being marketed with economic incentives. However, Parcels 1 and 2, which are not part of this assignment, received tax abatement as part of the development project due to feasibility issues. Since economic incentives are required for most improved uses and other improved projects are relying on incentives, our value conclusions assume that similar economic incentives, if required, will be available to the buyer of each site.

Identification of the Appraisal Problem

The purpose of the appraisal is to estimate the market value of the fee simple estate a*s is* in Lots 3, 4, 5, 6, 7, 8, 9, 10, 12, and 13, which comprise the subject property. In addition, we have briefly discussed the potential impact on the marketability of the subject due to a proposed streetcar extension that would serve the Berkley Riverfront project.

Effective Dates
The effective date of this appraisal is October 4, 2017. The property was inspected by Daniel Kann, MAI MSRE on October 4, 2017.

Date of Report
The date of this report is October 11, 2017. A comparison of the date of the report to the effective date of the appraisal indicates that our conclusions are reflective of current market conditions.

Use or Function
This appraisal was prepared for the sole and exclusive use of PortKC to assist in applying for a federal

grant. As part of the grant application, we have valued the sites as an individual lot to an end user based on current market data and have not account for an extended holding period in our analysis. The value conclusions have not been discounted to account for a bulk purchase of the aggregate property. The report is not to be relied upon by any third parties for any purposes.

Definitions
According to 12 CFR 3 the definition of market value is:

- The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

    a) Buyer and seller are typically motivated;

    b) Both parties are well informed or well advised, and acting in what they consider their own best interests;

    c) A reasonable time is allowed for exposure in the open market;

    d) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and

    e) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Appraiser Competency

No steps were necessary to meet the competency provisions established under USPAP. We have appraised several vacant land sites in the past several years and have adequate experience and qualifications to appraise the subject. Please refer to the qualifications in the Addenda.

Scope of the Investigation

The cost, sales comparison, and income approaches were all considered in estimating the market value of the subject property. Due to only the land being valued for each property we have excluded the cost approach and income approach to value in our analysis. The cost approach is used for improved properties and does not apply to land valuation. The income approach through the subdivision development method and the land residual method can be a viable procedure for land held as an investment. Since the purpose of this assignment is to value each individual lot, both the subdivision development method and land residual method are not applicable to this assignment.

The sales comparison approach is most commonly used for land valuation. The appraiser gathers data on sales of comparable properties and analyzes the nature and conditions of each sale, making adjustments for dissimilar characteristics. Typically, a common denominator, or unit of comparison is found such as price per square foot or price per unit. For the purpose of our analysis only the sales comparison approach has been utilized in the report.

As part of this appraisal, we completed an investigation and analysis of the data considered pertinent

to valuing the subject property. The appraisal report was prepared in accordance with the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice. The scope of work included but was not limited to:

- An inspection of the subject site and a review of the provided data;
- The gathering of information on local market conditions and trends, demographics, employment, and land sales,
- Confirmation and analysis of the data including the application of the sales comparison approach.

Sources of Information

We completed a search for similar properties that had sold and for properties that are currently listed for sale. Market and sales data was obtained from a number of sources, including but not limited to the following:

- The Site-To-Do-Business, a subscription service for demographic data
- Kansas City, Missouri online databases
- The Jackson County Assessor
- Jackson County online databases
- United States Department of Labor
- U.S. Census Bureau
- LoopNet, CoStar, Multiple Listing Service (MLS), and in-house database
- Market participants familiar with the subject market area

SUBJECT PHOTOS

View of River Front Road and Berkley Riverfront Park looking east (subject on the right)

View of the subject looking west towards downtown Kansas City and improvements on Parcels 1 and 2

View of the subject looking east towards the Christopher Bond Bridge and Interstate 29/35

View of the subject site looking south toward downtown Kansas City

SITE DESCRIPTION

Our description of the subject site is based on our physical inspection and a review of various third party data. The following outline format summarizes the salient data.

Identification

Location	NEQ of East Front Street and River Front Road, Kansas City, Jackson County, Missouri 64120
Abbreviated Legal	Please see the Addenda for an abbreviated legal description
Parcel ID Number(s)	12-800-01-14-00-0-00-000 and 12-800-01-16-00-0-00-000 12-720-23-01-00-0-00-000 and 12-720-24-01-00-0-00-000

Physical Features

Total Size	Approximately 40.46 acres, or 1,762,648 square feet (per site plan)
Range of Lot Sizes	0.42 to 15.79 acres
Density	Project specific pending city approval
Configuration	Irregular (see following maps)
Topography	The sites are at grade with the fronting streets
Drainage	Adequate at the time of inspection
Flood Plain	
Community Panel	2901730075B, effective August 5, 1986
Flood Zone	Zone B, "Areas of 500-year flood, areas of 100-year flood with average depths of less than 1 foot or with drainage areas less than one square mile; and areas protected by levees from 100-year flood. The subject is located in a levee protected area.
Flood Insurance	Not typically required within Zone B, C or X
Utilities	Adequate utilities including water, sewer, electricity, and gas are available and in place at the site
Environmental	Our physical inspection of the subject property did not reveal any indication of environmental hazard. However, we were not provided with a Phase I report to verify. It is recommended that a competent third party prepare a Phase I to confirm. Based on the past and current use as vacant land, environmental contamination is unlikely.
Ground Stability	We were not provided a soil report to review. We assume that the soil's load bearing capacity is sufficient to support a future use.

Legal

Zoning Designation	The site is currently zoned Manufacturing 1-5 District. According to the client and listing broker, the subject has a MPD – Master Planned Development District overlay. The MPD Distract is intended to accommodate development that may be difficult if not impossible to carry out under otherwise applicable zoning district standards.
Required Parking	One space per unit for a residential project and four spaces per 1,000 square feet for a retail use
Conformance	The MPD zoning allows for a variety of uses pending city approval with an emphasis placed on mixed use development. According to the client, all of the subject parcels except Lots 7, 10, and 13 are planned for a mixed use project that will be in conformance with the MPD zoning.

Encroachments	We were not provide with a Site Survey for the subject site. According to a Preliminary Plat prepared by Taliaferro & Browne, Inc. on March 21, 2014, there does not appear to be known encroachments that would negatively impact the marketability and overall value of each proposed lot.
Easements, Encumbrances, Restrictions	Our physical inspection of the subject property did not reveal any easements, encumbrances, or restrictions that would impact the marketability of the sites. However, we were not provided with a Title Report to verify. It is recommended that a competent third party prepare a Title Report to confirm.

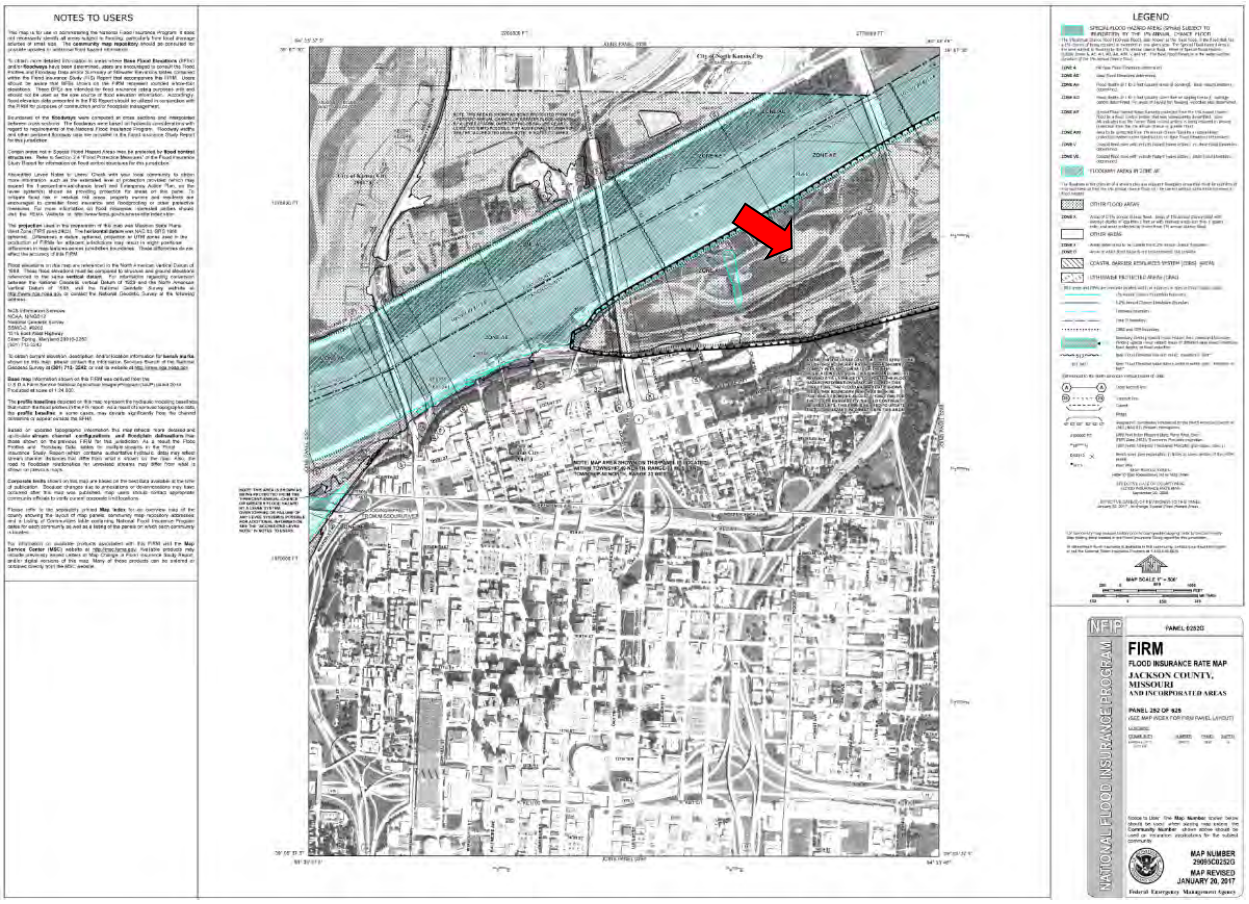
Streets, Access, Frontage

Street	Riverfront Road	East Front Street
Frontage	Yes	Yes
Paving	Asphalt	Concrete
Curbing/Gutters	Yes	Yes
Sidewalks	Yes	Yes
Lanes	Two	Four
Direction of Traffic	East and west	East and west
Condition	Average	Good
Traffic Level	Low	Low

GIS Parcel Map (Parent Parcels)

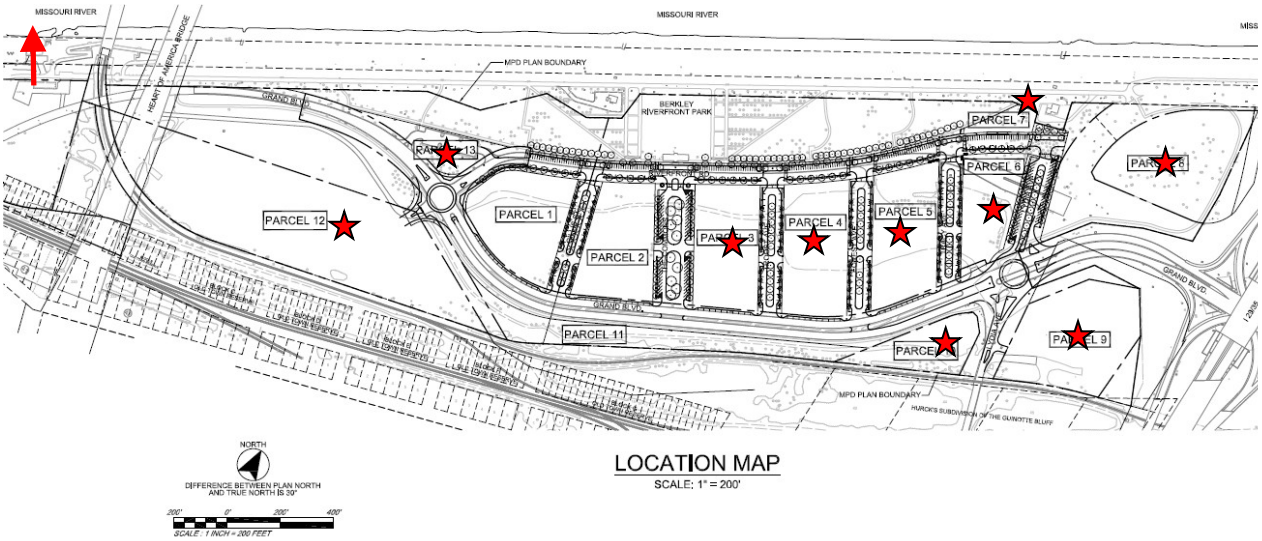
Zoning Map (Excludes Zoning Overlay)

Flood Map (FEMA)



View of Surrounding Land Use

Riverfront Parcel Map (Full Build-Out)



Site Conclusions

The subject sites are functional for a future mixed use development. The sites are supportive of a multifamily and retail use and provide adequate access and utilities. A mixed use property will be complimentary to the future development in Berkley Park at full build out. To our knowledge no adverse conditions are known to exist with regard to zoning, environmental, or development restrictions. It is recommended that a competent third party prepare a Phase I and Title Policy to confirm.

TAXES AND ASSESSMENT DATA

Market Value Presumes Consummation of a Sale

According to The 2016-2017 Uniform Standards of Professional Appraisal Practice (USPAP) and The Dictionary of Real Estate Appraisal 6th Edition, market value can be described as follows: A type of value, stated as an opinion, that presumes the transfer of a property (i.e., a right of ownership or a bundle of such rights), as of a certain date, under specific conditions set forth in the definition of the term identified by the appraiser as applicable in an appraisal. Since market value presumes consummation of a sale, the valuation for tax purposes must be analyzed relative to the market value of the subject property.

Subject Tax Analysis

Assessment and real estate tax information were provided by the Jackson County administrative offices. In the State of Missouri, residential properties are assessed at 19.0% of the actual market value with commercial properties being assessed at 32%. The subject is a tax exempt organization and does not pay real estate taxes. The following table reports the historical tax information for the parent parcel with taxes for each individual lot being unavailable for review.

Tax Year	2015	2016	2017
Implied Market Value	$0	$0	$431,944
Assessed Value	$0	$0	$138,222
Taxable Value (economic incentives)	$0	$0	$0
Percentage Change (actual value)	-	-	100.00%
Real Estate Taxes	$0	$0	$0
Special Assessments	$0	$0	$0
Total Taxes	**Tax Exempt**	**Tax Exempt**	**Tax Exempt**

TARGET MARKET

According to *Practical Apartment Management* published by the Institute of Real Estate Management (IREM), there are two types of renters:

- **Renters by Choice** – Approximately 40% to 50% of all renters according to Fannie Mae are comprised of empty nesters, career professionals, and many retired people. Renters by choice no longer need the extra space or maintenance upkeep in a single family home with others wanting the freedom provided by renting. Renters by choice tend to stay longer, cause fewer problems, and make better residents.

- **Renters by Circumstance** – Approximately 50% to 60% of all renters according to Fannie Mae are comprised of families with children, one and two person households, immigrants, divorcees, students, and baby boomers who are struggling to keep-up with the rising cost of living. Rental housing is occupied on an interim basis with ultimate living arrangements yet to be determined. Due to the temporary nature of their choice to rent, there is often a reluctance to commit the time, money, and energy required to create a homelike environment, thus, increasing the intensity of property management.

Tapestry Segmentation and Lifestyle Trends
Tapestry Segmentation classifies US neighborhoods into 65 distinct market segments. Neighborhoods with the most similar characteristics are grouped together, while neighborhoods with divergent characteristics are separated.

- **Metro Renters (53.8% of Households in market area)**
  Residents in this highly mobile and educated market live alone or with a roommate in older apartment buildings and condos located in the urban core of the city. This is one of the fastest growing segments; the popularity of urban life continues to increase for consumers in their late twenties and thirties. Metro Renter resident's income is close to the US average, but they spend a large portion of their wages on rent, clothes, and the latest technology. Computers and cell phones are an integral part of everyday life and are used interchangeably for news, entertainment, shopping, and social media. Metro Renters live close to their jobs and usually walk or take a taxi to get around the city.

- **Set to Impress (9.8% of Households)**
  Set to Impress is depicted by medium to large multiunit apartments with lower than average rents. These apartments are often nestled into neighborhoods with other businesses or single-family housing. Nearly one in three residents is 20 to 34 years old, and over half of the homes are nonfamily households. Although many residents live alone, they preserve close connections with their family. Income levels are low; many work in food service while they are attending college. This group is always looking for a deal. They are very conscious of their image and seek to bolster their status with the latest fashion. Set to Impress residents are tapped into popular music and the local music scene.

- **City Commons (9.7% of Households in market area)**
  This segment is one of the youngest and largest markets, primarily comprised of single-

parent and single-person households living within large, metro cities. While more than a third have a college degree or spent some time in college, nearly a third have not finished high school, which has a profound effect on their economic circumstance. However, that has not dampened their aspiration to strive for the best for themselves and their children.

The market area has a significantly higher percentage of *Metro Renters, Set to Impress,* and *City Commons* when compared to the nation and metro. The top three segments in the market area comprise 73.3% of the households compared to 4.3% in the metro and 3.9% in the United States making the market area less diverse than the metro and nation. The following table compares the market area, metro, and U.S. based on the top three lifestyle segments in the market area.

Top Lifestyle Segments			
Segment	**Subject Market Area**	**Kansas City Metro**	**United States**
Metro Renters	53.8%	1.7%	1.6%
Set to Impress	9.8%	1.2%	1.4%
City Commons	9.7%	1.4%	0.9%
Percentage of all Households	**73.3%**	**4.3%**	**3.9%**

Summary Conclusions

The subject sites are planned for a mixed use project that will largely be comprised of residential units and supporting commercial uses. Based on the location and price point of other urban core projects, the primary tenants will be renters by choice (market rate units), which include singles, couples, and roommates looking to live in an urban environment. Since young professionals will comprise the primary target market, we have included a brief discussion of the primary target market below.

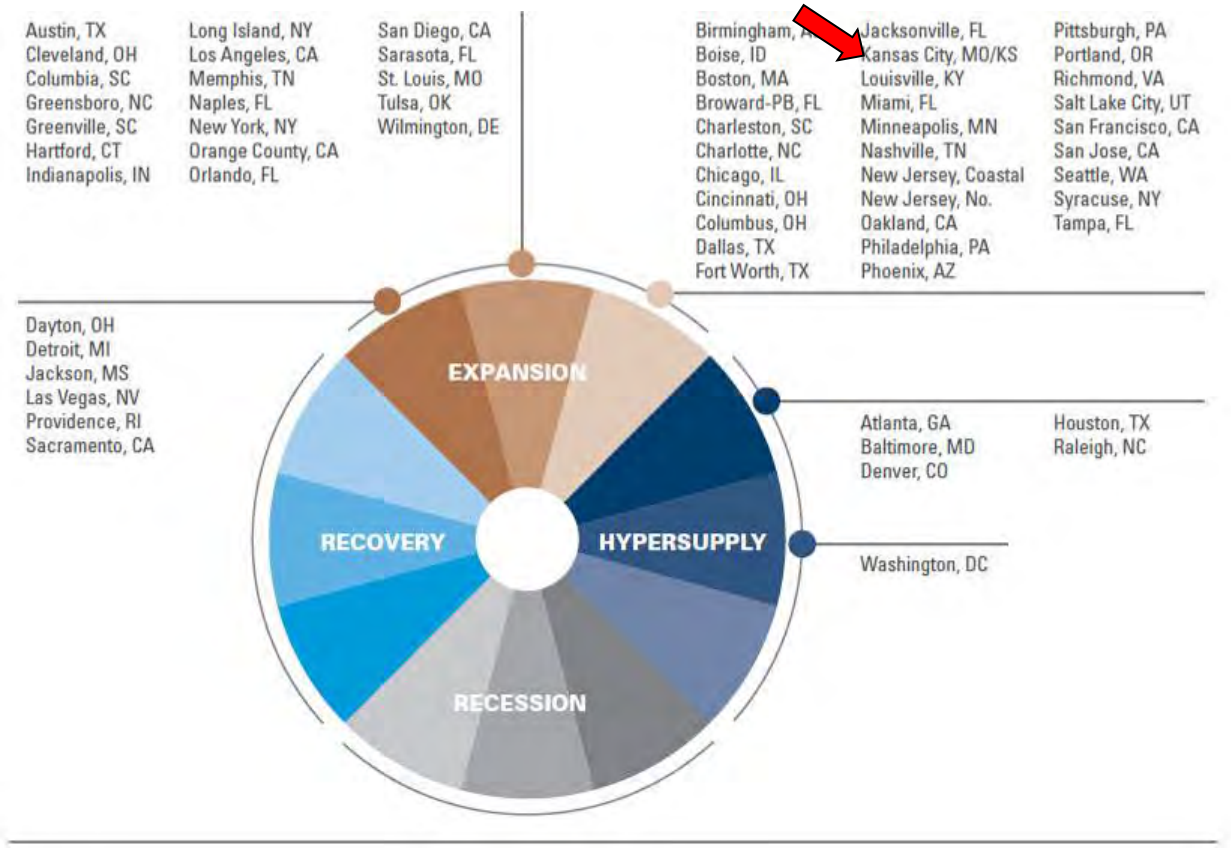
- **Young Professionals -** The term young professional generally refers to a young person not in school who is employed in a profession or a white-collar occupation. Young professionals tend to be career oriented thus delaying marriage, educated, technology savvy, and have a higher median income. Generation Y, the largest cohort in history with approximately 80 million people and recently surpassing the baby boomer generation in terms of population, are people who were born between 1980 and 2000, with many of them being in their twenties. According to The Wall Street Journal, 88% of this demographic group wants to be in an urban setting with shopping, dining, and transit being in close proximity. It was also noted that outdoor space is a priority with places to congregate being more important than having a larger apartment unit. Young professionals are typically in the 20 to 34 years of age cohort.

MULTIFAMILY MARKET CYCLE

According to the CCIM Institute, a market cycle represents patterns of prices over fairly long periods of time, typically ranging from two or three years to 20 years. *Principals of Real Estate Management* published by IREM, reports that the average cycle is approximately 18 years long. A short cycle that lasts up to five years also exists. Short cycles, such as the one we recently experienced, are a result of the availability of mortgage funds, shifts in money markets, and changes in governmental housing programs. There are four phases of a market cycle:

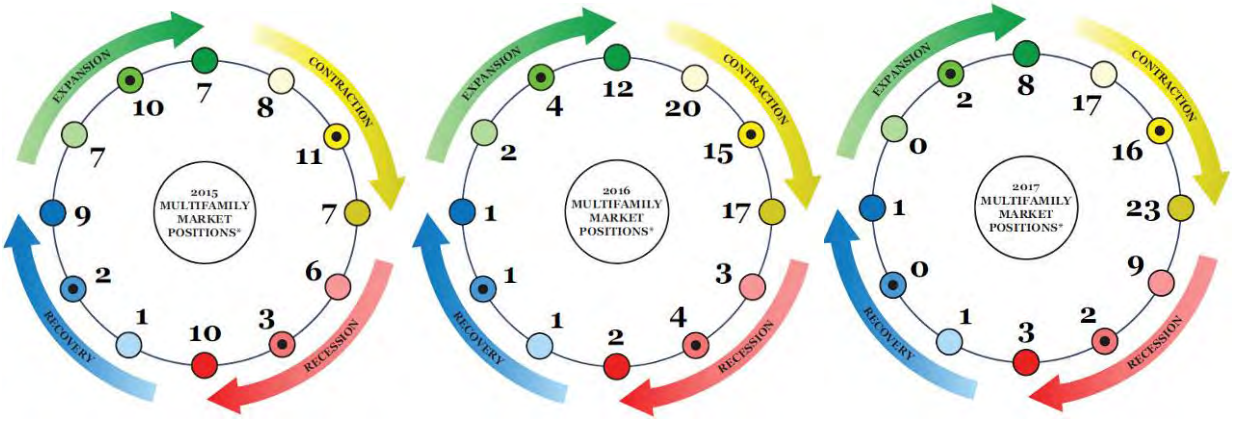
- **Expansion** – Space becomes difficult to find, rents rise rapidly towards new construction levels, and prices continue to increase.
- **Oversupply (Hypersupply)** – Builders and lenders may not perceive that the market is saturated. Prices begin to drop, sales activity begins to slow, and vacancies begin to increase.
- **Recession** - Sales activity is very slow, while prices and rents continue to decline.
- **Recovery** - The market stabilizes, prices begin to recover, and excess space begins to be absorbed

The uneven distribution of demographic, economic, and locational characteristics results in market variations and lead to significant differences in the demand, rents, and prices for real estate within a region, city, and submarket. The following chart shows the phase of the multifamily cycle according to the 2017 Viewpoint report prepared by Integra Realty Resources (IRR).



EXPANSION	HYPERSUPPLY	RECESSION	RECOVERY
Decreasing Vacancy Rates	Increasing Vacancy Rates	Increasing Vacancy Rates	Decreasing Vacancy Rates
Moderate/High New Construction	Moderate/High New Construction	Moderate/Low New Construction	Low New Construction
High Absorption	Low/Negative Absorption	Low Absorption	Moderate Absorption
Moderate/High Employment Growth	Moderate/Low Employment Growth	Low/Negative Employment Growth	Low/Moderate Employment Growth
Med/High Rental Rate Growth	Med/Low Rental Rate Growth	Low/Neg Rental Rate Growth	Neg/Low Rental Rate Growth

According to IRR, the Kansas City MSA is in the last stage of the expansion phase of the market cycle, resulting in decreasing vacancy rates, increasing rental rates, positive absorption, and declining capitalization rates. The market cycle phase is further supported by the 2nd Quarter 2017 PwC Real Estate Investor Survey shown below. According to PwC, there are 8 major metros in the last stage of the expansion phase with 56 metros in the contraction phase. The follwing shows the progression of major metros in regards to the stage of the market cycle from 2015 to 2017.



According to PwC, the Kansas City market is in the contraction phase due to an increase in new supply coming online and will remain in the contraction phase through 2019.

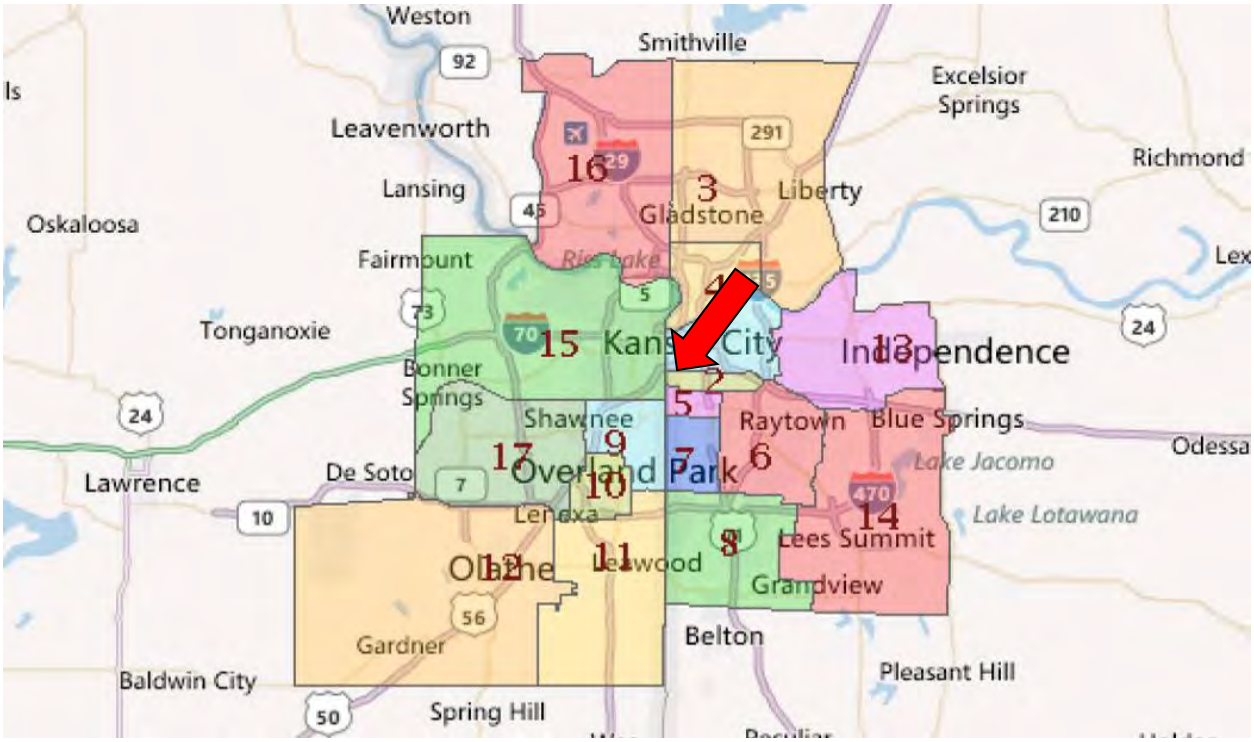
MSA Name	2016	2017	2018	2019
Kansas City	◉	◉	●	●

Once a market cycle enters the contraction phase (hypersupply phase in the IRR report) market fundamentals will slow, vacancy will increase, absorption will slow, and rent growth will level off, resulting in less price appreciation and investor demand.

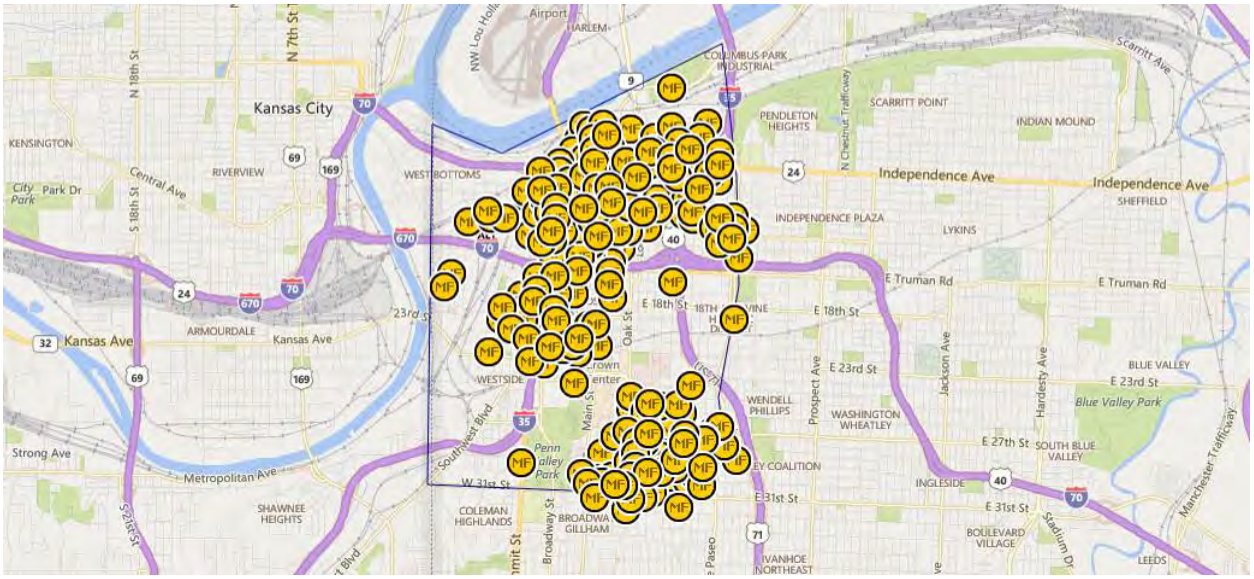
The vacancy rate is a leading indicator in determining where a city or submarket may be in the market cycle. The vacancy rate is the net result of the interacting forces of supply and demand. Changes in the vacancy rate reflect the absorption rate of available supply and influence asking rents. According to CoStar Analytics, the Kansas City MSA has an overall average occupancy rate of 94.7% with the subject market area having an occupancy rate of 95.2%. The current occupancy rate in MSA is in line with the long-term average indicating that supply has kept up with demand due to several new projects being delivered since 2013.

KANSAS CITY APARTMENT MARKET OVERVIEW

The basis of our multifamily analysis is survey data provided by CoStar Analytics. CoStar Analytics includes data pertaining to 470,000 multifamily properties with data imported from Apartments.com, personal surveys of apartment projects, and direct feeds from various online and third party sources. The following map shows the various submarkets in the Kansas City Metropolitan Area. The subject market area is located within submarket one on the following map.

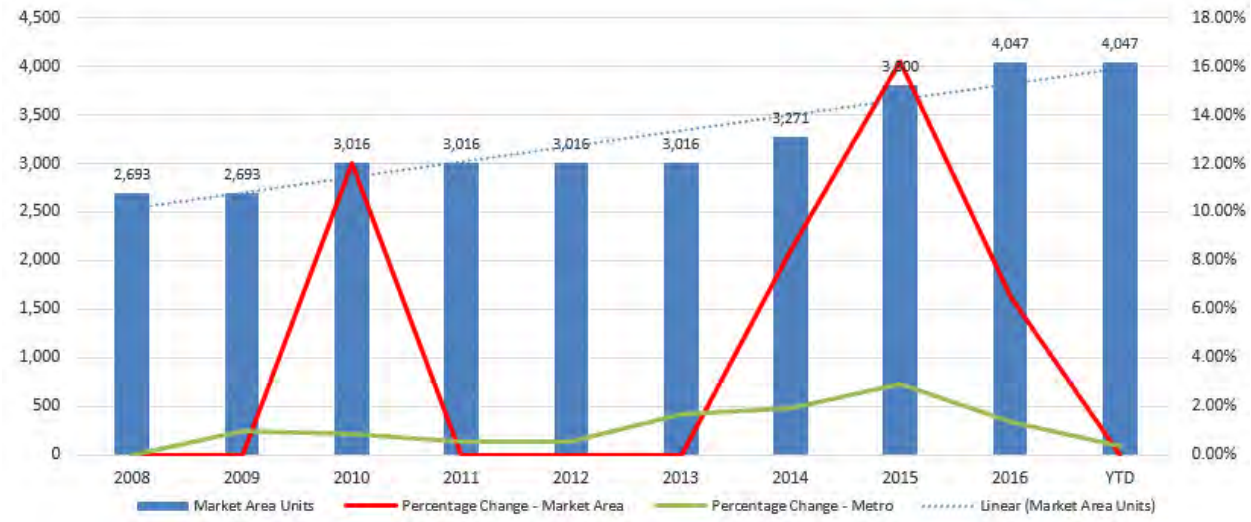


The following map shows the subject market area and the properties that comprise the submarket.



Inventory

Inventory in the subject market area has been increasing since 2008 due to demographic changes and the revitalization of the urban core. Inventory has increased on average 6.28% per year since 2008 which is more than the metro growth rate of 1.15% per year. According to CoStar Analytics, the market area has a total inventory of 4,047 market rate units, which accounts for 3.52% of the metro inventory totaling 114,825 market rate units. As the market area continues to be redeveloped it is projected that additional supply will be added to the inventory.



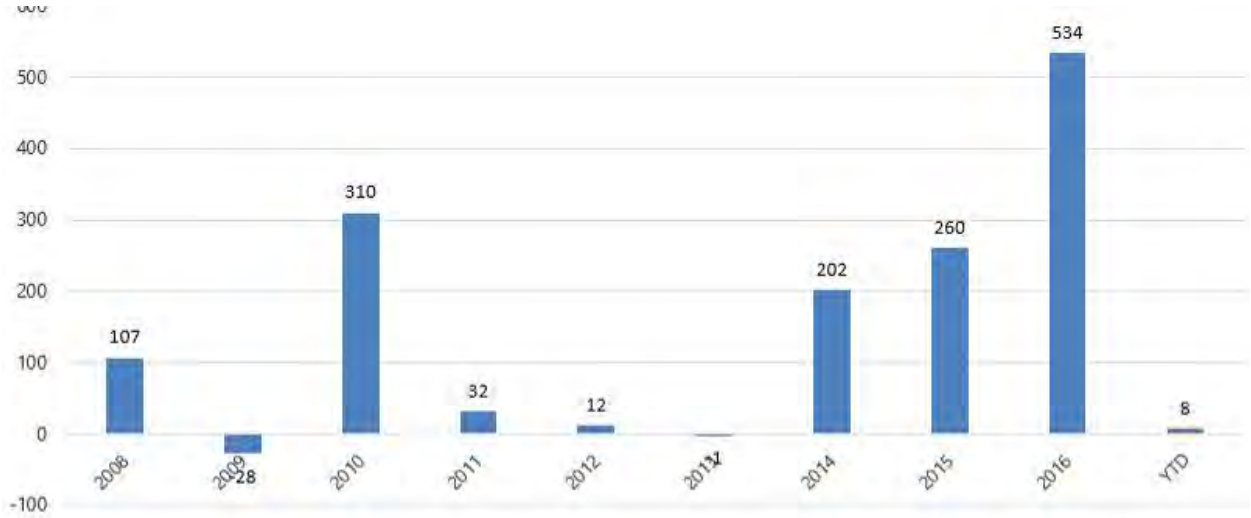
Occupancy

One of the primary measures of the supply and demand relationship is the vacancy rate. The vacancy rate is a leading indicator of the strength of the apartment market and has a direct impact on the asking rents and is driven by tenant demand. Metro-wide occupancy has been trending upward since 2008 due to limited new supply and favorable demographics. The subject market area has a median occupancy rate of 94.05% from 2008 to current which is 40 basis points more than the metro rate of 93.65%. The current occupancy rate in the urban core is above the long-term average and MSA due to increased demand and limited new supply. Based on the demographics and growth trends of the market area, it is projected that the occupancy rate will continue to outpace the metro rate until new supply absorbs the demand. The following table reports occupancy for various areas.

	Kansas City Metro		PMA	
Year	**Occupancy**	**% Change**	**Occupancy**	**% Change**
2008	92.20%	-	93.90%	-
2009	91.20%	-1.08%	92.90%	-1.06%
2010	92.00%	0.88%	93.30%	0.43%
2011	92.90%	0.98%	94.20%	0.96%
2012	93.70%	0.86%	94.60%	0.42%
2013	93.60%	-0.11%	94.60%	0.00%
2014	94.00%	0.43%	93.30%	-1.37%
2015	93.80%	-0.21%	87.20%	-6.54%
2016	94.00%	0.21%	94.90%	8.83%
YTD	94.70%	0.74%	95.20%	0.32%
Average	**93.21%**		**93.41%**	
Median	**93.65%**		**94.05%**	

Absorption

Net absorption has ranged from a low of negative 28 units in 2009 to a high of 534 units in 2016. Average net absorption since 2008 has been 144 units per year due to limited new development. Absorption from 2014 to current has been above the historical trend as new supply is being brought to market. Based on increased population growth and several new projects projected to come online in 2017 and 2018, future net absorption is projected to be greater than the historical average and in line with the most recent data from 2015 and 2016. The following table reports historical net absorption for the subject market area.



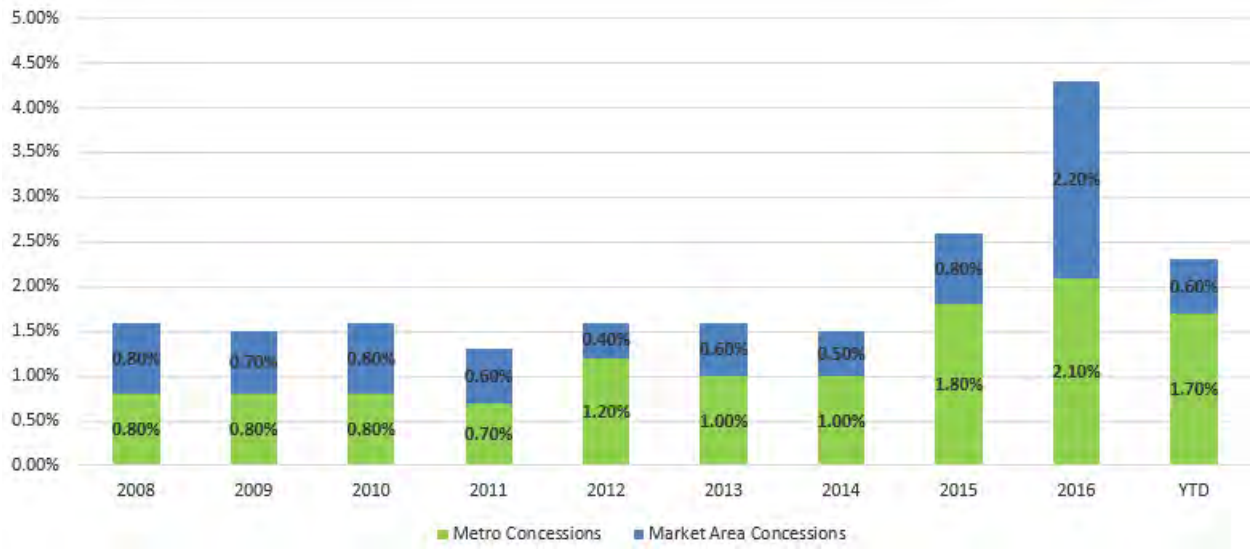
Asking Rents

Asking rents have been slowly increasing since 2008 due to limited new supply, increased renter demand, and an increasing cost of living. The Kansas City MSA has an overall average asking rent of $907 per month or $1.00 per square foot. The subject market area has an overall average rent of $1,321 per month or $1.37 per square foot, which is $328 per month more than the metro rate. Asking rents in the market area have increased on average 2.69% per year since 2008, which is in line with the metro growth rate of 2.61%. As new supply is brought to market and rent growth outpaces income growth, it is projected that future rent growth will be slightly less than the historical average but above the metro rate.

	Kansas City Metro			Market Area		
Year	Asking Rent	Rent / SF	% Change	Asking Rent	Rent / SF	% Change
2008	$719	$0.80	-	$1,041	$1.05	-
2009	$710	$0.79	-1.25%	$1,014	$1.02	-2.59%
2010	$715	$0.80	0.70%	$1,046	$1.05	3.16%
2011	$724	$0.80	1.26%	$1,055	$1.06	0.86%
2012	$742	$0.82	2.49%	$1,075	$1.08	1.90%
2013	$769	$0.85	3.64%	$1,091	$1.10	1.49%
2014	$798	$0.88	3.77%	$1,112	$1.12	1.92%
2015	$846	$0.93	6.02%	$1,229	$1.27	10.52%
2016	$885	$0.97	4.61%	$1,287	$1.34	4.72%
YTD	$907	$1.00	2.49%	$1,321	$1.37	2.64%
Average	**$782**	**$0.86**	**2.61%**	**$1,127**	**$1.15**	**2.69%**
Median	**$756**	**$0.84**	**2.49%**	**$1,083**	**$1.09**	**1.92%**

Concessions (Incentives)

Concessions are offered as an inducement or incentive to lease a unit. Concessions typically range from 1.00% to 8.00% of potential gross income indicating that if one month of free rent is given, there is an 8.00% loss in potential income. Incentives are common in markets that experience continual building or overbuilt markets and are less common in high barrier to entry markets. Leasing incentives in the subject market area from 2008 to current have averaged 0.80% of potential gross income. Incentives in the market area from 2008 to 2015 were relatively stable due to limited new supply. Concessions in 2016 increased due to several new projects coming online and being in lease-up. In comparison to the metro, the market area has historically offered slightly fewer incentives due to increased renter demand. Current concessions in the market area total 0.60% of potential income or two days of free rent. The following chart reports historical incentives for the metro and subject market area.



Conclusions

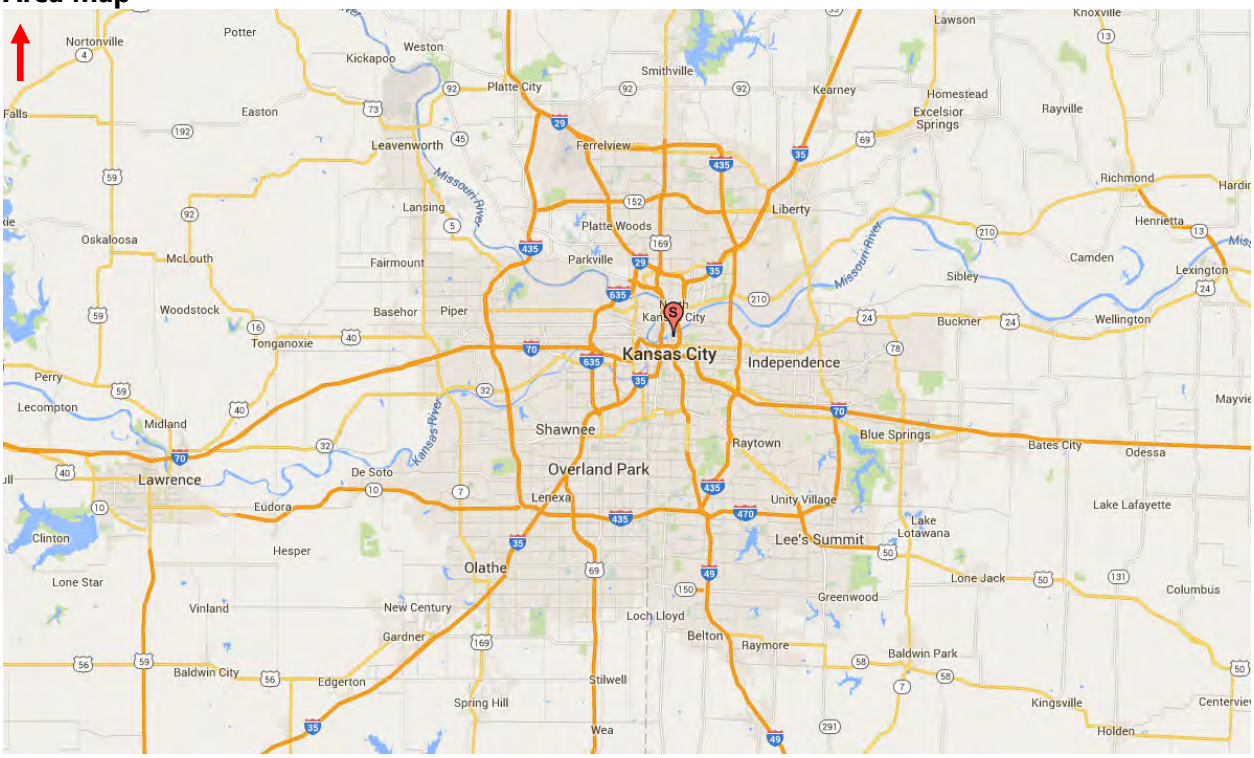
Rental rates, occupancy, and incentives in the market area have shown improvement since 2008 and outpace the metro as a whole. Vacancy has historically ranged from 4.00% to 6.00% since 2008 due to limited new supply. At the same time, asking rents have increased from a low of $1,014 per month in 2009 to a current high of $1,321 per month representing annual rent growth of 2.69%. Overall, the urban core is projected to outpace the metro due to changing demographics and continued public and private investment. The following chart compares fundamentals in the metro and market area.

Market	Inventory	Occupancy	Incentives	YTD Net Absorption	Studio	1BR	2BR	3BR
Metro	114,825	94.7%	1.70%	1,144	$662	$813	$967	$1,219
Market Area	4,047	95.2%	0.6%	8	$800	$1,227	$1,649	$1,841

MARKET AREA OVERVIEW

The subject is located northeast of the Central Business District in the Berkley Riverfront area of Kansas City, Jackson County, Missouri. Kansas City is the largest city in terms of population in the State of Missouri. Kansas City encompasses parts of Jackson, Clay, Cass, and Platte counties and serves as a major transportation hub for the entire United States. According to the Census Bureau, the Kansas City MSA has a 2017 population of 2,132,041 people, a median household income of $60,228, and experienced annual population growth of 0.87% from 2010 to 2017. The following analysis focuses on the social, economic, government, and environmental forces that form the elements of supply and demand and subsequently affect local real estate values.

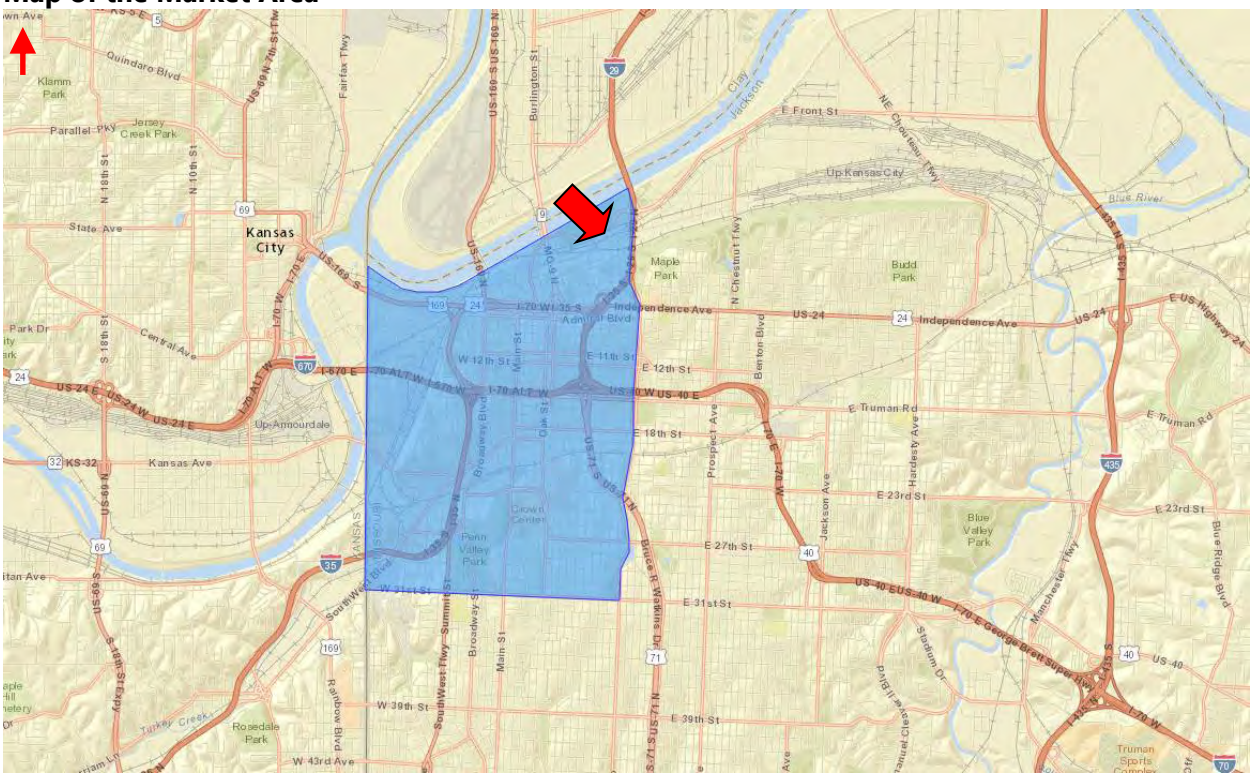
Area Map



Market Area Overview

According to *Market Analysis for Real Estate,* published by the Appraisal Institute, the trade/market area is delineated by physical, political, and socioeconomic boundaries or by the time-distance relationship represented by travel times to and from common destinations. A market area is an area in which alternative, similar properties effectively compete with the subject in the minds of probable, potential users. It is further stated that the time-distance relationship to employment and support facilities is the primary determination for a multifamily or mixed use property. Based on the rapidly changing demographics when traveling east and west from the subject, we have used the general boundaries of downtown Kansas City in our analysis. For the purposes of this report, the market area boundaries are considered to be the Missouri River to the north, East 31st Street to the south, The Paseo Boulevard to the east, and the Kansas/Missouri state line to the west. The market area is shown on the following map.

Map of the Market Area



Land Use

Land use in downtown Kansas City consists of a typical urban city with high density residential, commercial, and light industrial uses. The subject area is mostly vacant land built around the Berkley Riverfront Park and the Missouri River. Redevelopment in downtown is occurring southwest of the subject on existing developed sites. Single-family homes are located outside of the downtown loop with the largest concentration of commercial development being located within the CBD. Significant land use characteristics in downtown Kansas City are summarized in the following table.

Predominant Age of Improvements	50 plus years in the urban core
Predominant Quality and Condition	Average to good
Approximate Percent Developed (estimate)	Fully built-out
Prevailing Single Family Price Range	$150,000 to $350,000
Median Year Structure Built	1953
Median Home Value (Market Area)	**$195,486**
Median Home Value (Kansas City Metro)	$177,745
Median Household Income (Market Area)	**$39,096**
Median Household Income (Kansas City Metro)	$60,228
Percentage of Renter Households (Market Area)	**75.09%**
Percentage of Renter Households (Kansas City Metro)	35.18%
Median Age (Market Area)	**32.8 years**
Median Age (Kansas City Metro)	37.7 years
Annual Household Growth Rate (Market Area)	**2.75% from 2010 to 2017**
Annual Household Growth Rate (Kansas City Metro)	0.81% from 2010 to 2017
Number of Housing Units (Market Area)	**12,534**
Number of Households (Market Area)	**10,764**
Life Cycle Stage	4th, a period of revitalization

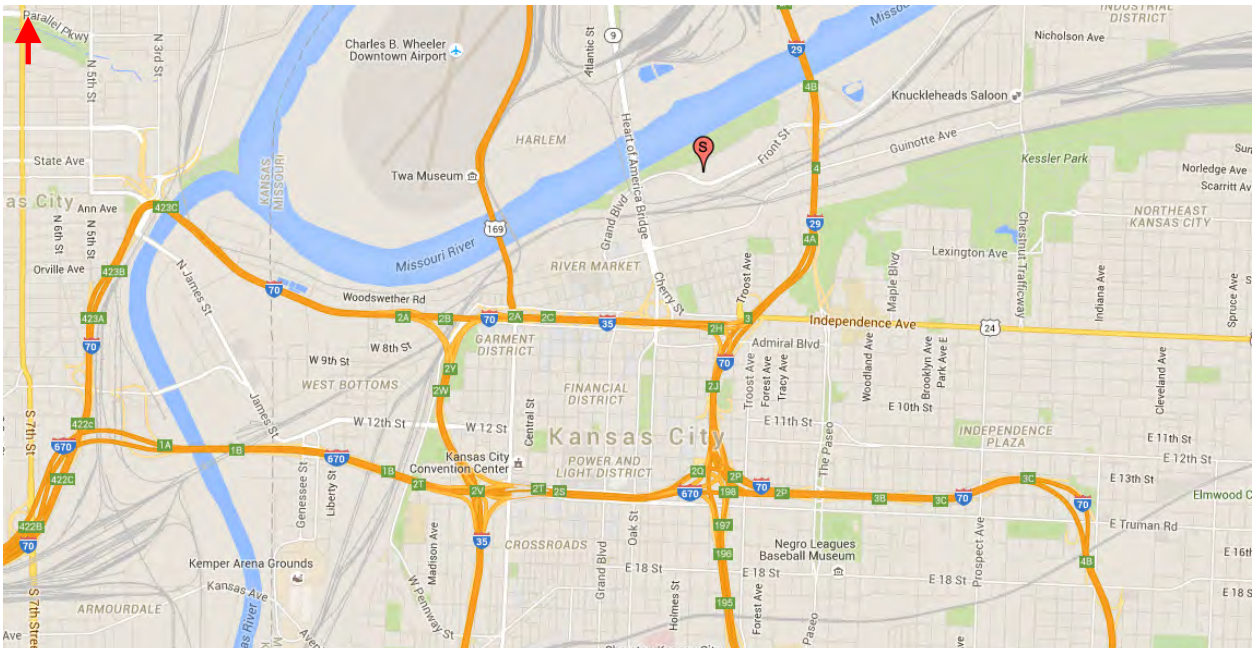
Land Use Aerial Map

Representative Residential Housing Option in the River Market (RM West)

Access

Regional access to and from the local market area is very good due to the presence of Interstate 35, Interstate 70, Interstate 29, Interstate 670, and 71 Highway, which provide access to downtown Kansas City. Downtown Kansas City is designed on a grid system with numbered streets providing east/west access and named streets providing north/south access. Access to the subject is fair with there being an access point at Front Street and Interstate 29 to the east. Access to Downtown Kansas City is from the Grand Avenue Viaduct that extends from Front Street southwest to the River Market area.

Access Map



Housing Mix

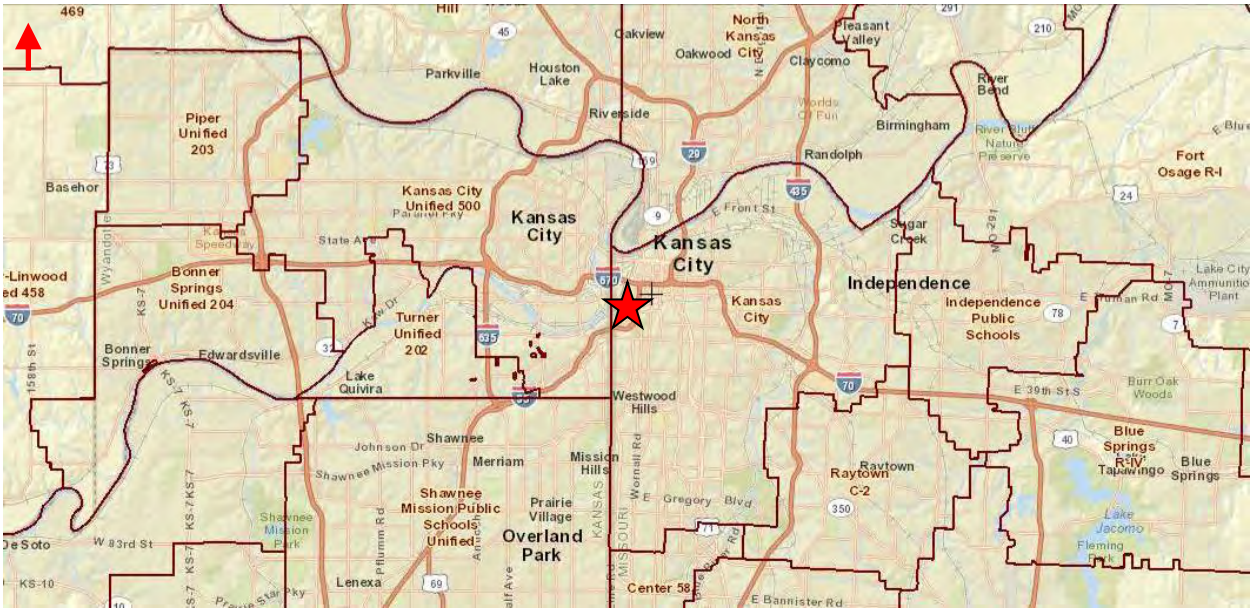
According to the American Community Survey, 16.1% of the housing units in the market area are single-family detached. The most prevalent housing option in the area is 50 plus units accounting for 39.0% of the housing stock. The second most prevalent housing option is 20 to 49 units, accounting for 16.6% of the housing stock. The market area exhibits fewer single family homes and more apartment units when compared to the metro due to the urban location, which is common. The following table reports housing types for various areas

Type of Housing Unit	Market Area		Kansas City MSA		United States	
	Number	Percent			Number	Percent
Total	11,540	100.0%	876,997	100.0%	132,741,033	100.0%
1, Detached	1,858	16.1%	612,144	69.8%	81,901,217	61.7%
1, Attached	485	4.2%	56,128	6.4%	7,698,980	5.8%
2	427	3.7%	19,294	2.2%	4,911,418	3.7%
3 to 4	646	5.6%	34,203	3.9%	5,840,605	4.4%
5 to 9	773	6.7%	46,481	5.3%	6,371,570	4.8%
10 to 19	889	7.7%	39,465	4.5%	5,973,346	4.5%
20 to 49	1,916	16.6%	22,802	2.6%	4,778,677	3.6%
50+	4,501	39.0%	28,941	3.3%	6,637,052	5.0%
Mobile Home / Other	35	0.3%	17,540	2.0%	8,628,167	6.5%

Source: ACS Housing Summary

Education

The subject is located in the Kansas City Public School system, a troubled school district that lost accreditation in January 2012 and has since achieved provisional accreditation. Fortunately, there are not projected to be any school aged children living at the subject property. The following map shows the various school districts in the local area.



The school system is located in an urban area and has experienced a sharp decline in enrollment during the last several years as many schools were forced to close due to budget issues and a flight to private schools or schools located outside the district. Total enrollment growth from 2007 through 2016 was negative 42.33% or a loss of 10,349 students. In comparison, the State of Missouri reported enrollment losses of negative 1.49% over the same time period.

Educational Attainment

The market area has a greater percentage of the population with a bachelor's degree accounting for 49.3% of the population, compared to 35.4% in the metro and 31.1% in the nation. The higher percentage of people with a college degree is a result of young professionals choosing to live in an urban, walkable environment and an increase in student population. The following table reports educational attainment for various areas.

	Nation	Metro	Market Area
High School Diploma	13.9%	22.2%	12.9%
GED	3.4%	3.5%	3.2%
Some College	17.1%	22.3%	17.1%
Associate's	5.7%	8.0%	4.6%
Bachelor's	27.0%	22.5%	28.0%
Graduate/Professional/Doctorate	20.4%	12.9%	21.3%
Bachelor Degree and Above	**47.4%**	**35.4%**	**49.3%**

Building Permits

Building permits are a leading indicator of the strength of a real estate market and its local economy. Strong markets tend to see increased permitting activity and construction costs. This is shown by an

increase in activity and costs from 2002 to 2006, which was the last expansion phase of the past real estate cycle. According to the Home Builders Association of Greater Kansas City, multifamily permitting in the Kansas City MSA has an average total of 2,851 units per year with permitting from 2013 to 2016 being above the historical average due to pent-up rental demand. It is projected that future permitting will be more in line with the historical average as the new supply absorbs some of the demand. The following table reports permitting for the Kansas City MSA.

Building Permits - Kansas City MSA

Type	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Average
Single Family	8,224	8,680	10,075	10,741	11,084	10,323	9,384	6,381	3,232	2,154	2,471	2,301	3,299	4,087	4,220	4,700	5,489	6,285
Single Family %	65.73%	62.15%	73.57%	76.22%	77.00%	76.96%	73.98%	80.72%	63.85%	59.00%	90.71%	79.32%	66.94%	58.67%	52.27%	54.13%	56.83%	68.71%
Multifamily	4,287	5,287	3,619	3,352	3,311	3,090	3,300	1,524	1,830	1,497	253	600	1,629	2,879	3,854	3,983	4,169	2,851
Multifamily %	34.27%	37.85%	26.43%	23.78%	23.00%	23.04%	26.02%	19.28%	36.15%	41.00%	9.29%	20.68%	33.06%	41.33%	47.73%	45.87%	43.17%	31.29%
Total	**12,511**	**13,967**	**13,694**	**14,093**	**14,395**	**13,413**	**12,684**	**7,905**	**5,062**	**3,651**	**2,724**	**2,901**	**4,928**	**6,966**	**8,074**	**8,683**	**9,658**	**9,136**

The following table summarizes permitting in Jackson County from 2001 through 2016.

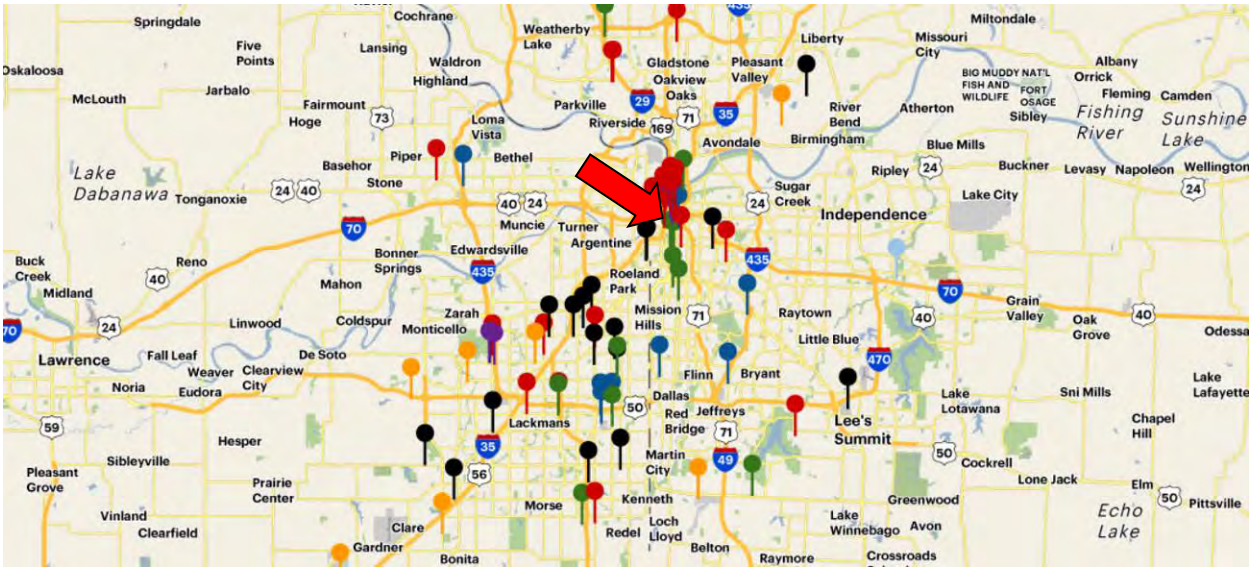
Building Permits - Jackson County, Missouri

Type	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Average
Single Family	1947	2021	2448	2450	2578	2350	2062	1414	538	332	406	479	585	734	813	957	974	1,358
Single Family %	57.55%	55.61%	67.87%	74.72%	64.56%	71.02%	74.52%	72.81%	73.20%	54.61%	88.07%	100.00%	60.87%	62.95%	38.46%	40.38%	42.15%	62.20%
Multifamily	1,436	1,613	1,159	829	1,415	959	705	528	197	276	55	0	376	432	1,301	1,413	1,337	825
Multifamily %	42.45%	44.39%	32.13%	25.28%	35.44%	28.98%	25.48%	27.19%	26.80%	45.39%	11.93%	0.00%	39.13%	37.05%	61.54%	59.62%	57.85%	37.80%
Total	**3,383**	**3,634**	**3,607**	**3,279**	**3,993**	**3,309**	**2,767**	**1,942**	**735**	**608**	**461**	**479**	**961**	**1,166**	**2,114**	**2,370**	**2,311**	**2,183**

In comparison to the metro, permitting in Jackson County accounts for approximately 24% of the total amount of new development occurring throughout the MSA. Multifamily permitting in Jackson County from 2000 to 2016 has an average total of 825 units per year or 35% of the total number of permitted units, which is slightly more than the metro percentage (31%). Jackson County features a higher concentration of affordable housing units and apartment rentals due to there being an increased number of lower socioeconomic areas within the county.

Recent Developments

Most metro wide development is occurring in south Johnson County, southwest in Lenexa City Center, and in the urban core. The subject is located east of the urban core, which is experiencing the most new development metro-wide. The following investment map shows the location of the most recently completed projects in the MSA.

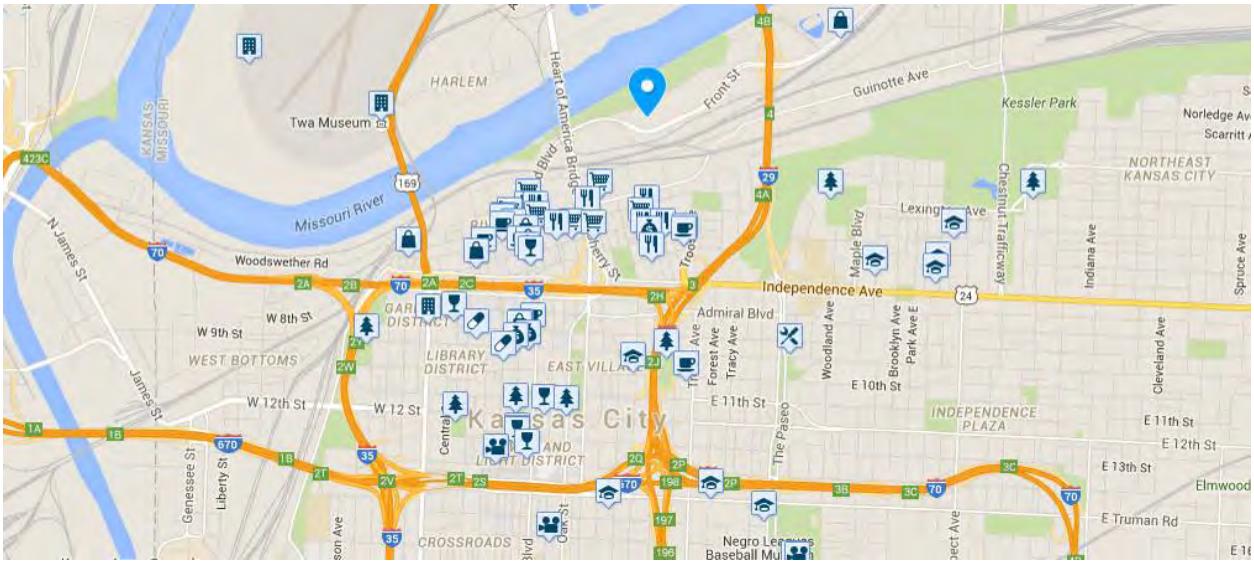


In comparison, commercial and residential growth in downtown Kansas City, Missouri has totaled over $7 billion in completed projects. According to the most recent Downtown Council Annual Report, there have been 255 projects completed since 2000 with a 50% increase in population and a 30% increase in the tax base. The following investment map shows the location of the most recently completed projects. The subject is located 0.50 miles to the east of the River Market area.

River Market North
River Market West
City Market
North Loop
Library
Metro Center
Power & Light
Kauffman Center
Crossroads
Union Station
Legend
downtown development map
The past two years marked the beginning of an exciting new chapter in the renaissance of Downtown Kansas City as more than $1 billion dollars of new investment was announced or started construction since voters approved the new streetcar line. The renaissance is creating a modern mixed-use Downtown, a vibrant urban center expressed through a thriving arts scene, an emerging entrepreneurial district and diverse residential neighborhoods. These elements are setting the stage for a successful future and fulfilling Downtown's vast potential.
HOUSING & EDUCATION
1 UMKC Downtown Arts Campus $96M
2 One Light Tower $79M
3 Commerce Tower** $70M
4 Kansas City Power & Light Bldg. $63M
5 2nd & Delaware Housing Project** $52M
6 Crossroads West Apts. $52M
7 Summit on Quality Hill $48M
8 Pickwick Bldg. $35M
9 Lucas Place Lofts $30M
10 Roosters Block Apts. $30M
11 Apex on Quality Hill $29M
12 531 Grand Apts. $24.3M
13 Scarritt Bldg. $23.7M
14 Argyle Bldg. $20M
15 Artera Lofts $16M
16 Columbus Park Housing Project $16M
17 River Market West Apts.** $16M
18 Brookfield Bldg. $15M
19 3rd & Grand AIA Development Site $14.3M
20 Midland Apts. $12.5M
21 1914 Main Apts.** $10M
22 Centropolis on Grand** $8M
23 Baltimore Club Lofts $6.725M
24 Crossroads Academy Middle School $2.2M
25 1612 Grand Lofts $2.1M
26 SE Corner of 5th & Main**
27 SW Corner of 5th & Main**
28 718 Grand Lofts
29 East Village
30 Washington Square Park Master Plan
NS Founders at Union Hill
NS Gillham Row
NS Union Hill Single Family Homes
HOTELS
31 21C Hotel $47.5M
32 Courtyard Marriott / Residence Inn** $46M
33 Hilton Home2 Suites** $16M
34 Ambassador Hotel $13M
35 Hampton Inn - Gumbal Bldg. $6M
36 Holiday Inn Express
OFFICE
37 Corrigan Bldg.** $22M
38 Sporting Innovations $20M
39 Pershing Bldg. $18M
40 Mark Twain Bldg. $16M
41 GSA - Two Pershing Square $11.7M
42 2101 Broadway Bldg. $7M
43 Globe Bldg. $6.8M
44 Creamery Bldg. $4.5M
45 The Nerdery - Western Union Bldg. $4.3M
46 Big Brothers Big Sisters $3M
47 Lead Bank $3M
48 Arvest Bank $2M
49 Blue Cross Blue Shield $2M
50 Centric Projects** $1.5M
51 Mid America Arts Alliance $1.2M
52 Sprint Accelerator $500K
ARTS, ENTERTAINMENT & RETAIL
53 Halls Department Store $10M
54 One Life Fitness $5M
55 Webster House Parking Garage $5M
56 1700-1710 Wyandotte $4.6M
57 Cosby Building $3M
58 Screenland Crossroads $1.2M
59 Jimmy John's $478K
60 The Sundry $350K
61 Anton's Steakhouse
TRANSIT & INFRASTRUCTURE
62 Downtown Streetcar Line $103M
63 Streetcar Maintenance Facility $8.8M
64 20th Street Improvements $4.2M
QUALITY OF LIFE
65 Downtown YMCA $30M
66 BrightFarms Hydroponic Greenhouse $4M
67 Church of the Resurrection $844K
68 Christ Community Church
69 New Life Church
NS - Not Shown on the Map
** Indicates the streetcar was the key reason for the development

Support Services

Since walkability and access to service amenities are a primary concern for people choosing to live in an urban project, the following map highlights local area support services that would be used by a tenant living at the subject property.



The majority of the service amenities are located southwest of the subject property 0.60 miles in the River Market District. The subject is located in an area with minimal service amenities. As the riverfront is built out additional services are projected to be developed. According to the Port Authority, in process projects include a dog park and bar called Bar K that is scheduled to open in spring 2018.

Walk Score
Walk Score rates locations based on the walkability of the address with rating ranging from 0 to 100 with 100 being the most walkable. The Walk Score algorithm awards points based on the distance to amenities in each category. Amenities within 0.25 miles receive maximum points and no points are awarded for amenities further than one mile.

Walk Score®	Description
90–100	**Walker's Paradise** — Daily errands do not require a car.
70–89	**Very Walkable** — Most errands can be accomplished on foot.
50–69	**Somewhat Walkable** — Some amenities within walking distance.
25–49	**Car-Dependent** — A few amenities within walking distance.
0–24	**Car-Dependent** — Almost all errands require a car.

The subject has a Walk Score of 21, making it "car dependent." The subject is located in a less walkable part of the urban core. In comparison, the CBD has a Walk Score of 84, making it the most walkable area of the metro. Areas with a higher Walk Score tend to have greater housing demand, longer term tenants, and higher rental rates. The lack of walkability for the subject is less attractive if the housing market becomes oversupplied and market fundamental soften.

Transportation

According to the *Dictionary of Real Estate Appraisal, 5th Edition*, linkage is the time and distance relationship between a particular use and supporting facilities, e.g., between residences and schools, shopping, and employment. For a multifamily or mixed use project, linkage is very critical as tenants often choose to live nearby support facilities and places of employment. The metro area is served by typical transportation options with automobile being the primary method.

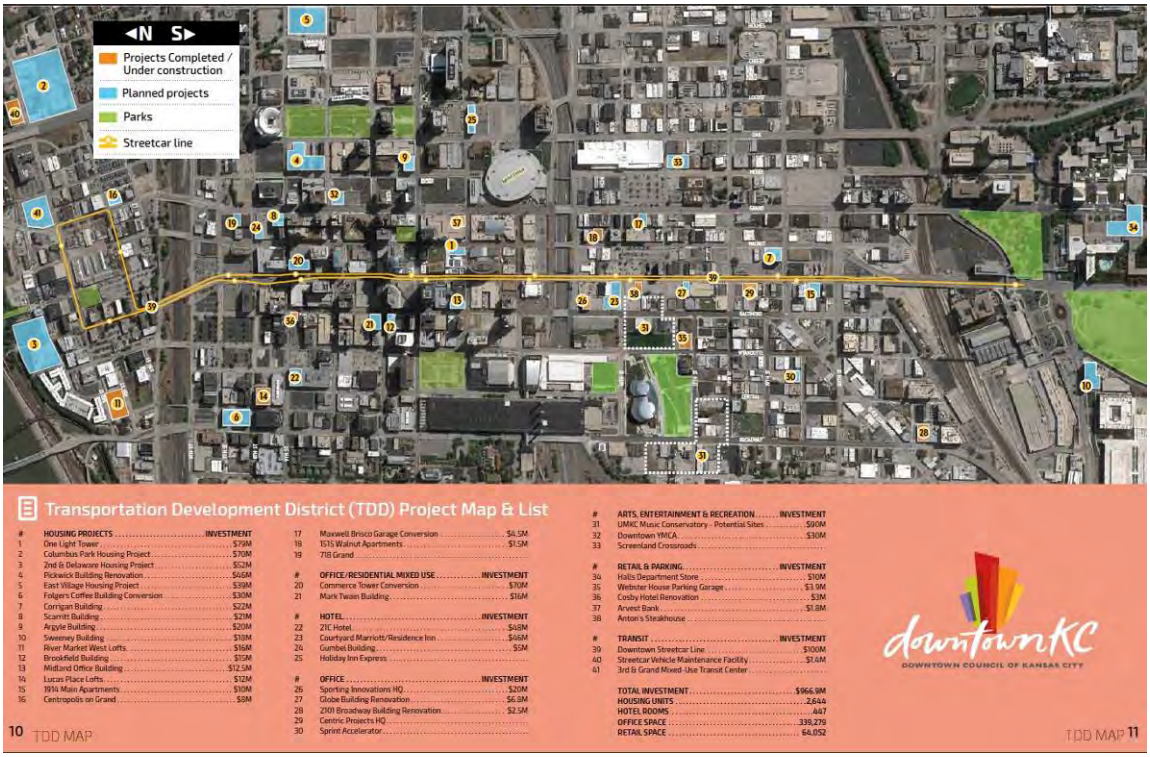
- **Air** - The metropolitan area is served by 11 major commercial airlines and their connection partners. These carriers offer approximately 200 daily departures, with nonstop service to over 50-destinations. The city is currently considering a major renovation of the existing facility or combining the three terminals into one large, central terminal in order to modernize the airport and increase daily and annual passengers. The Kansas City International Airport is located approximately 15 miles northwest of the subject.

- **Car** - Four interstates (I-70, I-35, I-49, I-29), four interstate linkages (I-435, I-635, I-470, I-670), and nine federal highways service the area.

- **Public Transit -** The metro area is served by three transit organizations, the Kansas City Area Transportation Authority (The Metro), the Johnson County Transit (The JO), and the Unified Government Transit (The Bus). The three transit organizations maintain integrated routes and

services across the bi-state metro and participate with the Mid-America Regional Council in the region's SmartMoves transit planning effort. The subject does not currently have access to the Metro.

- **Streetcar** - Kansas City, Missouri recently finished the first phase of a streetcar line from the River Market to Crown Center, running along Main Street. Depending on the success of the first route, additional routes are anticipated. According to the Kansas City Downtown Council, the streetcar announcement has resulted in an increase in development activity specifically along the route. The subject does not have streetcar access at this time. The following map shows the location of streetcar line and recent development projects.


◂N S▸
Projects Completed / Under construction
Planned projects
Parks
Streetcar line
Transportation Development District (TDD) Project Map & List
HOUSING PROJECTS INVESTMENT
1 One Light Tower $79M
2 Columbus Park Housing Project $70M
3 2nd & Delaware Housing Project $52M
4 Pickwick Building Renovation $46M
5 East Village Housing Project $39M
6 Folgers Coffee Building Conversion $30M
7 Corrigan Building $22M
8 Scarritt Building $21M
9 Argyle Building $20M
10 Sweeney Building $10M
11 River Market West Lofts $16M
12 Brookfield Building $15M
13 Midland Office Building $12.5M
14 Lucas Place Lofts $12M
15 1914 Main Apartments $10M
16 Centropolis on Grand $8M
17 Maxwell Brisco Garage Conversion $6.5M
18 1015 Walnut Apartments $1.5M
19 718 Grand
OFFICE/RESIDENTIAL MIXED USE INVESTMENT
20 Commerce Tower Conversion $70M
21 Mark Twain Building $16M
HOTEL INVESTMENT
22 21C Hotel $48M
23 Courtyard Marriott/Residence Inn $46M
24 Gumbel Building $5M
25 Holiday Inn Express
OFFICE INVESTMENT
26 Sporting Innovations HQ $20M
27 Globe Building Renovation $6.9M
28 2101 Broadway Building Renovation $2.5M
29 Centric Projects HQ
30 Sprint Accelerator
ARTS, ENTERTAINMENT & RECREATION INVESTMENT
31 UMKC Music Conservatory - Potential Sites $90M
32 Downtown YMCA $30M
33 Screenland Crossroads
RETAIL & PARKING INVESTMENT
34 Halls Department Store $10M
35 Webster House Parking Garage $3.9M
36 Cosby Hotel Renovation $3M
37 Arvest Bank $1.8M
38 Anton's Steakhouse
TRANSIT INVESTMENT
39 Downtown Streetcar Line $100M
40 Streetcar Vehicle Maintenance Facility $1.4M
41 3rd & Grand Mixed-Use Transit Center
TOTAL INVESTMENT $966.9M
HOUSING UNITS 2,644
HOTEL ROOMS 447
OFFICE SPACE 339,279
RETAIL SPACE 64,052
downtownKC
DOWNTOWN COUNCIL OF KANSAS CITY
10 TDD MAP
TDD MAP 11

- **Streetcar Extension -** The Kansas City Streetcar Authority (KCSA), Kansas City Area Transportation Authority (KCATA), and the City of Kansas City, Missouri (KCMO), have partnered with Port KC to evaluate an extension of the streetcar line north from the River Market area to provide streetcar access to the Berkley Riverfront and to the Missouri River. According to a Feasibility Study prepared by Burns & McDonnell dated August 9, 2017, the streetcar extension to the riverfront s financially, structurally, and operationally feasible and can incorporate and support multi-modal transit.

Outlook and Conclusions

The subject is located in a transitional area of the urban core that has yet to experience a significant amount of development. We are optimistic about both the short and long-term outlook of downtown Kansas City and the Berkley Riverfront. Downtown Kansas City has grown rapidly since 2002 with over $7 billion in investments having been completed. The creation of The Power and Light District and the Sprint Center has created additional demand for downtown housing with more

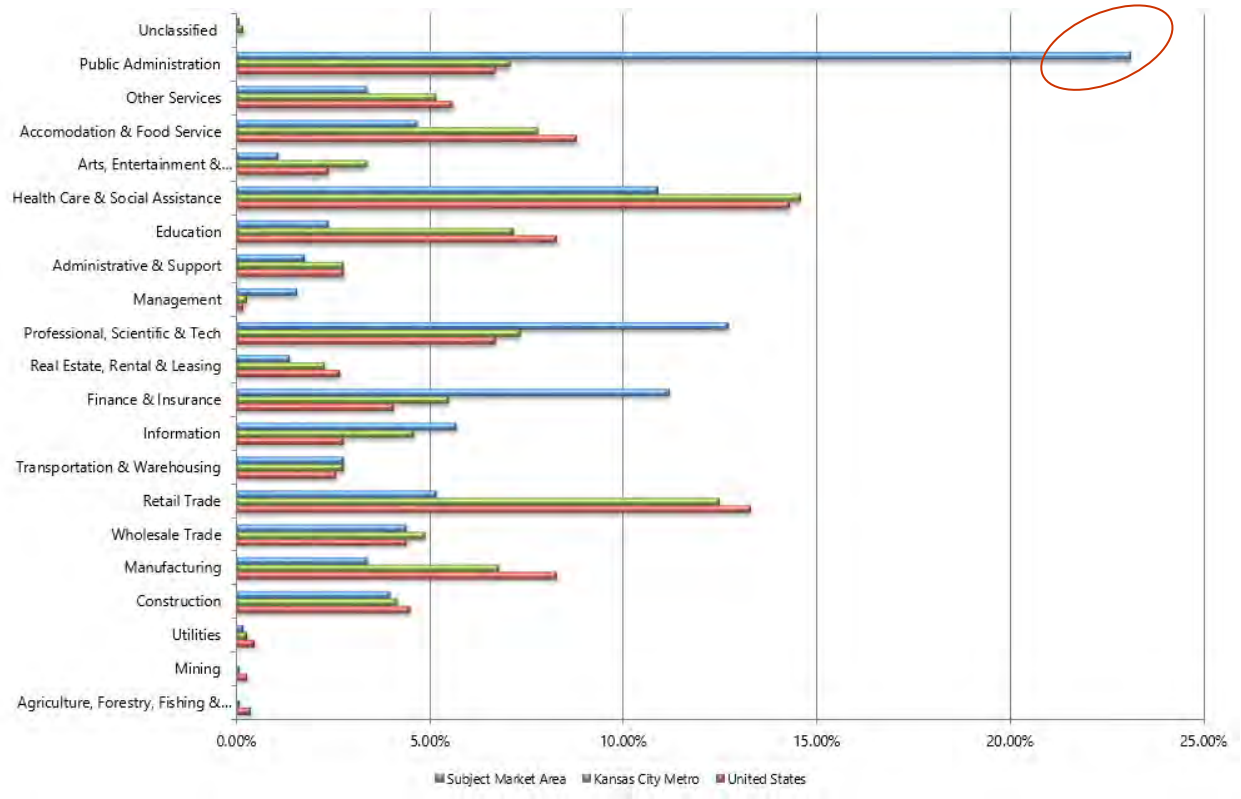
than 10 million people visiting the two attractions in 2015. Downtown Kansas City was ranked the 12th best downtown in the nation by Forbes Magazine with continued investment only enhancing its attractive location. However, the lack of employment growth is a concern for long-term vitality with current housing demand being driven by demographic changes and lifestyle preferences. It is unsure if the demographic and lifestyle preferences are sustainable long-term as the economy slowly recovers and demographic groups progress through a typical life cycle (rent, own, rent). Overall, downtown Kansas City will continue to be an attractive area with continued public and private investment further enhancing the overall livability and employment of the area.

EMPLOYMENT & LABOR DATA

There are several major economic indicators that drive real estate supply and demand and influence value. The major economic indicators are: gross domestic product (GDP), population growth, inflation (CPI), interest rates (short-term and long-term), and employment growth. Housing demand is traditionally generated by employment growth, which is a sustainable and long-term demand driver. Since real estate is a cyclical industry that generally follows the broader economic environment, the following data discusses employment by industry, unemployment, and major employers, which have a direct influence on space demand and the type of development in an area.

Employment by Industry

According to the American Community Survey, at-place employment is estimated at 123,910 people in the market area. The following chart compares employment by industry for the market area, the Kansas City MSA, and the nation.



The public administration sector is the largest employment category (23.1%) in the market area with professional, scientific, and technology (12.7%) being the second largest employment industry. Other major industries are finance and insurance (11.2%), healthcare (10.9%), and information (5.7%). In comparison to the MSA, the largest positive employment gap is in public administration (16.0%) with the largest negative employment gap being retail trade employment (negative 7.3%). The government offices of Kansas City, Missouri and Jackson County are located in the CBD resulting in a higher concentration of public administration employment. The following table compares employment by industry in the market area, MSA, and the United States.

Employment by Industry						
	Subject Market Area		Kansas City Metro		United States	
Industry	Percentage	Number of Jobs	Percentage	Number of Jobs	Percentage	Number of Jobs
Agriculture, Forestry, Fishing & Hunting	0.0%	0	0.1%	1,171	0.4%	611,317
Mining	0.0%	0	0.1%	1,171	0.3%	458,488
Utilities	0.2%	248	0.3%	3,512	0.5%	764,146
Construction	4.0%	4,956	4.2%	49,167	4.5%	6,877,314
Manufacturing	3.4%	4,213	6.8%	79,604	8.3%	12,684,824
Wholesale Trade	4.4%	5,452	4.9%	57,362	4.4%	6,724,485
Retail Trade	5.2%	6,443	12.5%	146,332	13.3%	20,326,284
Transportation & Warehousing	2.8%	3,469	2.8%	32,778	2.6%	3,973,559
Information	5.7%	7,063	4.6%	53,850	2.8%	4,279,218
Finance & Insurance	11.2%	13,878	5.5%	64,386	4.1%	6,265,997
Real Estate, Rental & Leasing	1.4%	1,735	2.3%	26,925	2.7%	4,126,388
Professional, Scientific & Tech	12.7%	15,737	7.4%	86,160	6.7%	10,239,556
Management	1.6%	1,983	0.3%	3,512	0.2%	305,658
Administrative & Support	1.8%	2,230	2.8%	32,778	2.8%	4,279,218
Education	2.4%	2,974	7.2%	84,287	8.3%	12,684,824
Health Care & Social Assistance	10.9%	13,506	14.6%	170,915	14.3%	21,854,576
Arts, Entertainment & Recreation	1.1%	1,363	3.4%	39,802	2.4%	3,667,901
Accomodation & Food Service	4.7%	5,824	7.8%	91,311	8.8%	13,448,970
Other Services	3.4%	4,213	5.2%	60,874	5.6%	8,558,435
Public Administration	23.1%	28,623	7.1%	83,116	6.7%	10,239,556
Unclassified	0.1%	124	0.2%	2,341	0.3%	458,488

Employment – Bureau of Labor Statistics

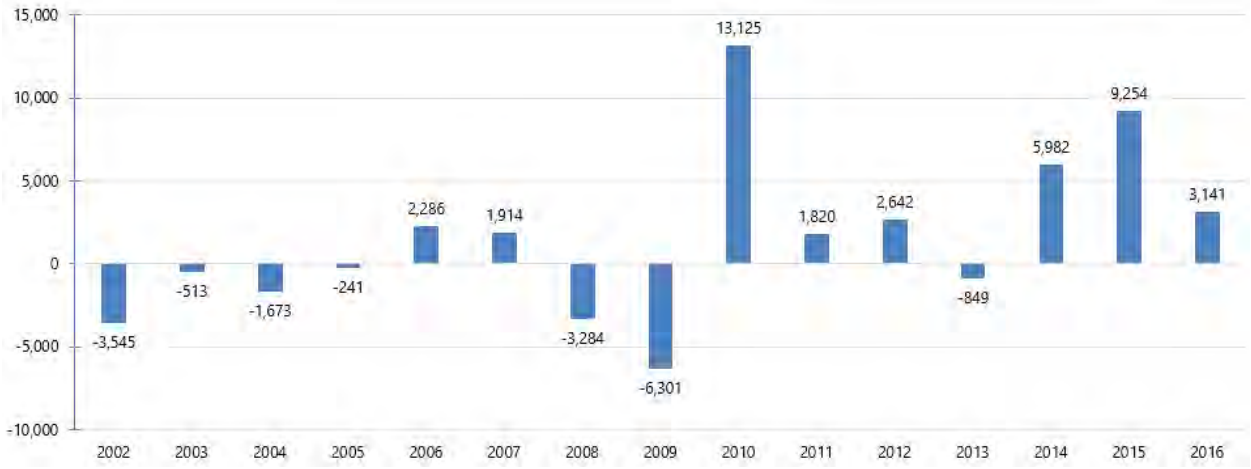
The following table reports unemployment rates for various areas in June 2017.

United States	Missouri	Kansas	Kansas City Metro	Jackson County	Kansas City, MO
4.4%	3.9%	3.7%	3.9%	4.6%	**4.4%**

Kansas City, Missouri (the smallest geographic area covering the market area) has an unemployment rate that is in line with the county and slightly higher than the metro and state. Employment growth in Kansas City, Missouri has averaged 0.70% from 2002 through 2016 with the national average being 0.68% and the metro reporting 0.92% annual growth during the same time period. The long-term employment growth rate in Kansas City, Missouri is slightly less than the metro rate. However, as shown later in this section downtown Kansas City is a major employment hub in Jackson County and the Kansas City MSA with continued redevelopment projected to increase employment opportunities in the urban core. The following chart reports employment data for Kansas City, Missouri from 2001 through 2016.

Annual employment growth in Kansas City, Missouri post-recession has been greater than prior to the economic downturn with annual growth of 4,034 jobs from 2012 to current. Based on the

number of planned and in-process projects in the urban core, future employment growth is projected to be similar to the rate reported from 2012 to current and above the long-term average of 1,584 jobs, which is favorable for housing demand. The following chart reports annual employment change in Kansas City, Missouri.



Economic Base Analysis (Location Quotient)

There are two types of employment, basic and non-basic employment. Basic employment produces more goods and services that can be consumed in the local area resulting in export goods and drives the local economy and future demand for real estate (manufacturing, tourism, etc.). Non-basic employment refers to activities produced for the local area such as service employment consisting of retail, banking, etc. The inflow and distribution of income from basic employment is the driving force behind economic, employment, and household growth. Location quotient is a method used to determine if a particular industry is basic or non-basic. The following table reports basic and non-basic employment in the Kansas City MSA, Jackson County, and the United States.

Location Quotient (LQ) by Sector								
	Jackson County, MO			Kansas City MSA			United States	
Base Industries	**Employment**	**LQ**	**Type**	**Employment**	**LQ**	**Type**	**Employment**	**LQ**
Total All Industries	***297,490***	***1.00***	-	***731,651***	***1.00***	-	***121,392,913***	***1.00***
Agriculture	180	0.05	Non-Basic	1,664	0.17	Non-Basic	1,365,365	1.00
Mining	57	0.04	Non-Basic	755	0.18	Non-Basic	598,025	1.00
Utilities	0	0.00	Non-Basic	4,597	1.16	Basic	551,652	1.00
Construction	18,581	1.05	Basic	48,094	0.97	Non-Basic	6,897,959	1.00
Manufacturing	22,683	0.72	Non-Basic	77126	0.87	Non-Basic	12,317,541	1.00
Wholesale trade	13,543	0.90	Non-Basic	47,032	1.12	Basic	5,863,634	1.00
Retail trade	35,501	0.88	Non-Basic	110,467	0.98	Non-Basic	15,724,152	1.00
Transportation & warehousing	0	0.00	Non-Basic	41613	1.21	Basic	4,800,088	1.00
Information	8,541	1.19	Basic	17,506	0.87	Non-Basic	2,792,851	1.00
Finance & Insurance	22,776	1.53	Basic	57,945	1.38	Basic	5,828,310	1.00
Real Estate	5,552	1.01	Non-Basic	15,202	0.99	Non-Basic	2,145,439	1.00
Professional & Technical	31,854	1.41	Basic	86,738	1.37	Basic	8,796,535	1.00
Management	8,591	1.50	Basic	26,321	1.64	Basic	2,232,704	1.00
Administrative	17,760	0.76	Non-Basic	67,484	1.02	Basic	9,171,689	1.00
Educational	6,209	0.87	Non-Basic	0	0.00	Non-Basic	2,775,239	1.00
Health care & social assistance	52,113	1.07	Basic	129,107	0.95	Non-Basic	18,966,328	1.00
Arts & entertainment	6,336	1.07	Basic	0	0.00	Non-Basic	2,313,551	1.00
Accomodation & food service	35,708	1.03	Basic	0	0.00	Non-Basic	13,497,636	1.00
Other services	11,505	1.02	Basic	0	0.00	Non-Basic	4,390,829	1.00
Unclassified	0	0.00	Non-Basic	0	0.00	Non-Basic	363,386	1.00

Location quotient (LQ) is a valuable way of quantifying how concentrated a particular industry, occupancy, or demographic group is in a region as compared to the nation. It can reveal what makes a particular region "unique" in comparison to the national average. If an industry has an LQ greater than one, the community has a greater share of its total employment concentrated in that industry. If the LQ equals one, then the community has a similar share as the nation and an LQ less than one indicates that the community has a smaller percentage of total employment concentrated in that industry. An area with fewer basic industries tends to have less demand for space, less economic variability resulting in one or two dominate industries, and is more susceptible to new development and economic downturns, resulting in greater risk to real estate owners and developers.

According to the Bureau of Labor Statistics, the Kansas City MSA has seven basic types of employment: utilities, wholesale trade, transportation, finance, professional and technical, management, and administrative services. In comparison to the metro, Jackson County has nine basic types of employment resulting in greater economic diversity and increased development and space demand. Areas that are more diverse are less susceptible to the highs and lows of real estate cycles. A more varied workforce allows for other industries to help balance the economy if a downturn were to occur in one specific industry.

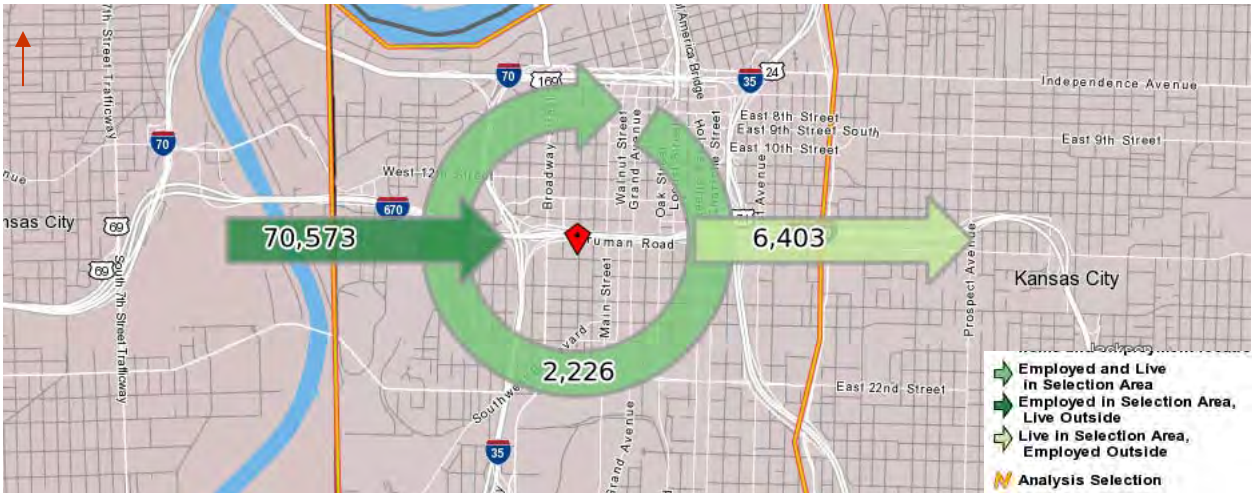
Job Inflow and Job Outflow

Inflow data represents employees who live outside the area and commute into the area for work and outflow data represents employees who live in the area and commute outside the area for work. Since not everybody will choose to live in the urban core, it is projected that a portion of the employment in the market area commutes into the area for employment. According to OnTheMap, 3.06% of the employees in the market area live in the area with the rest of the workforce commuting into the area for employment.

OnTheMap - Employed and Living in the Urban Core			
Employment	**Employed but Living Outside Area**	**Employed & Living in Area**	**% Workers Living in Area**
72,799	70,573	2,226	3.06%

*Data from OnTheMap

According to the most recent data from OnTheMap (2015), total resident employment in the market area is 72,799 people with 70,573 people commuting into the area each day for work and 6,403 people leaving the urban core for employment.



Home Destination Analysis

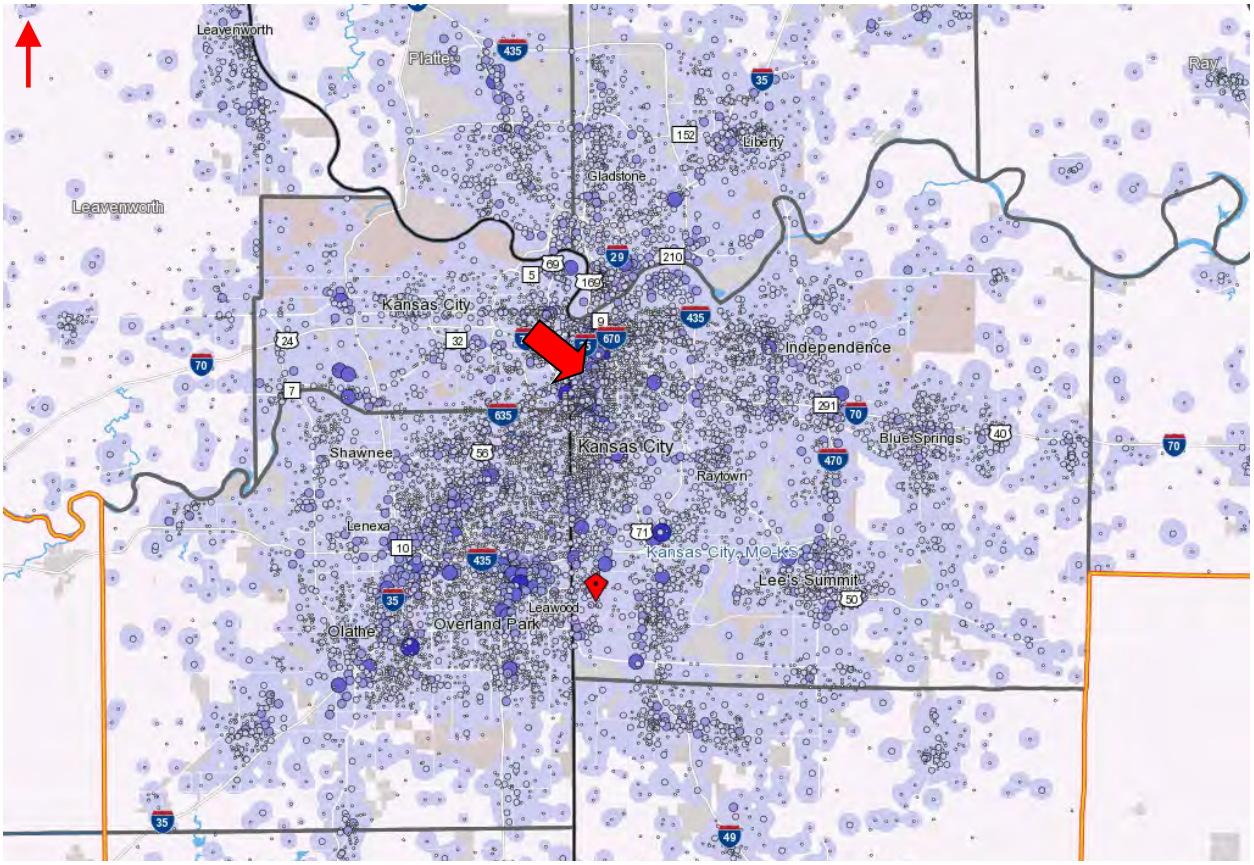
According to the most recent data from OnTheMap, 36.9% of the employees in the market area live in Kansas City, Missouri with 6.4% living in Independence, Missouri. Other major areas of residence for PMA employees are Lee's Summit, Overland Park, Kansas City, Kansas, and Blue Springs. The following table reports the destination of where employees in the PMA live.

Places Where Market Area Employees Live		
City	**People**	**Percentage**
All Places	**72,799**	**100%**
Kansas City, MO	26,863	36.9%
Independence, MO	4,659	6.4%
Lee's Summit, MO	4,004	5.5%
Overland Park, KS	3,203	4.4%
Kansas City, KS	2,694	3.7%
Blue Springs, MO	1,893	2.6%
Olathe, KS	1,820	2.5%
Raytown, MO	1,820	2.5%
Shawnee, KS	1,310	1.8%
Gladstone, KS	1,310	1.8%
All Other Locations	23,368	32.1%

Source: OnTheMap

Map of Employment Concentration – Kansas City MSA

The following map shows the concentration of MSA employment.



Since travel time to and from employment is a major concern for employees when deciding where to live, the previous map shows the location of new employment growth and concentration in the metro. According to the Longitudinal Employer-Household Dynamics (LEHD) program, most employment concentration and growth in the Kansas City MSA is occurring in downtown Kansas City, south Johnson County, and along Interstate 35. The subject is located in an area of high employment concentration and is within a ten minute drive time of several major employers.

Major Employers – Kansas City MSA

The largest employer in the Kansas City MSA is the Federal Government with over 18,000 employees. The metro is home to a diverse workforce with several corporate headquarters being located in the city. Other major employers are manufacturing (Ford Motors), telecommunications (Sprint), and health care all contributing significantly to the workforce. The following table reports the largest employers in the metro and the change in employment from 2015 to 2016.

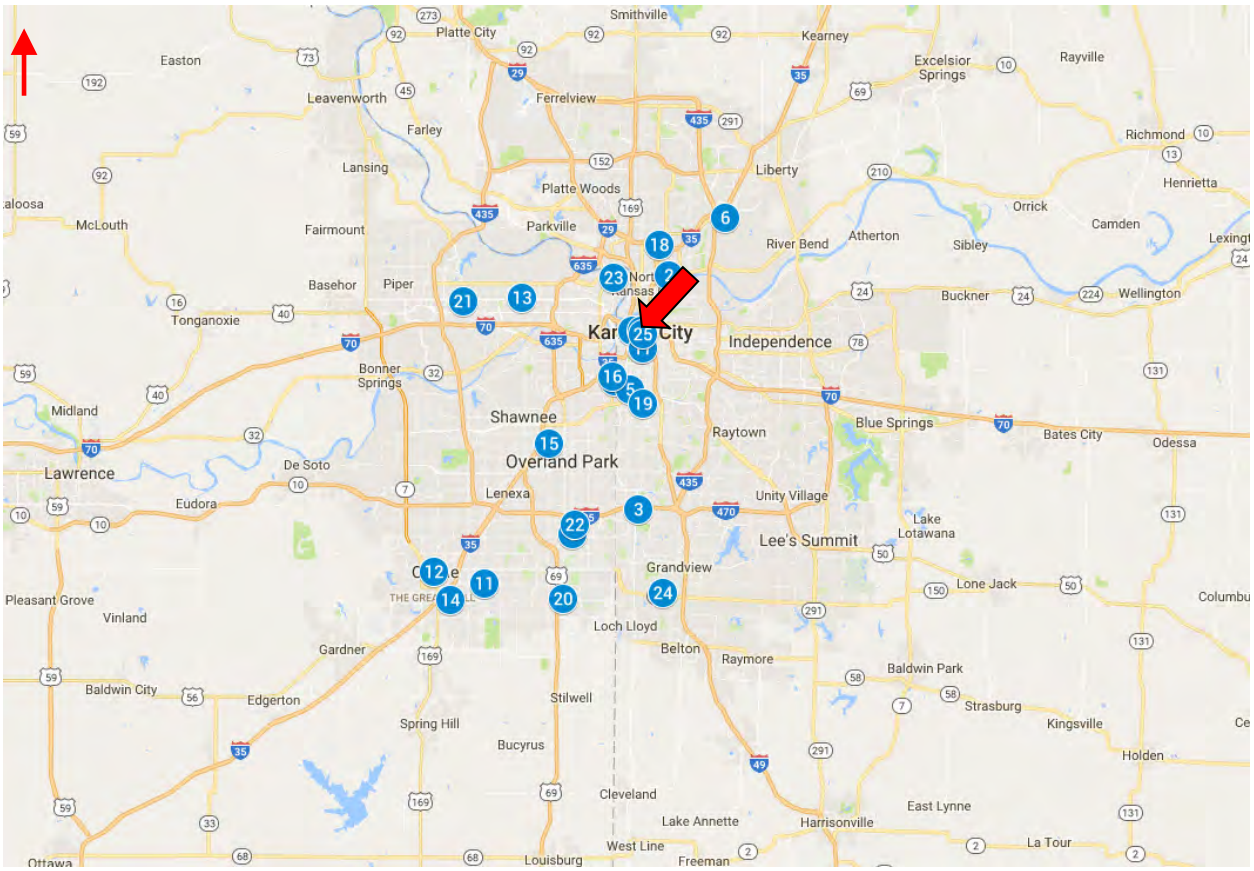
Rank	Company	Industry	Employees	Change from 2015
1	United States Government	Federal Government	18,621	-8,879
2	Cerner Corporation	Health Care IT	9,367	1,067
3	HCA Midwest Health	Health Care	9,310	-57
4	Saint Luke's Health System	Health Care	7,770	690
5	Ford Motors Assembly Plant	Automotive Assembly	7,700	3,700
6	University of Kansas Hospital	Health Care	6,807	1,438
7	Children's Mercy Hospitals and Clinics	Health Care	6,696	1,273
8	Sprint	Telecommunications	6,000	-1,600
9	Olathe Public Schools	Public Education	4,403	690
10	City of Kansas City, Missouri	Municipal Government	4,300	-263
11	Johnson County, Kansas Government	County Government	3,884	353
12	Garmin International Inc.	Navigation	3,766	-129
13	DST Systems Inc.	Strategic Advisory and Business Operations	3,631	-771
14	General Motors Fairfax Plant	Automotive Assembly	3,500	-500
15	Kansas City, Kansas Public Schools	Public School District	3,500	100
16	Shawnee Mission School District	Public School District	3,358	659
17	Black & Veatch	Engineering, consulting, and construction	3,249	-251
18	University of Kansas Medical Center	Health Care	3,184	36
19	North Kansas City Schools	Public School District	3,131	417
20	Truman Medical Centers	Health Care	3,126	-1,141
21	University of Missouri - Kansas City	Public University	3,093	-66
22	Research Medical Center	Health Care	2,876	N/A
23	Blue Valley School District	Public School District	2,824	20
24	North Kansas City Hospital	Health Care	2,782	68
25	Hallmark Cards Inc.	Greeting Cards	2,700	-1,000

The subject is located in an area with a high concentration of large employers when compared to other areas of the MSA. Most major employers are located in the urban core and in the southern portion of the MSA, which consequently contains the higher concentration of new development. The following table reports the largest employers in the urban core, which contains six of the 25 largest companies in the MSA.

MSA Rank	Employer	Industry	Location	Employees
1	United States Government	Federal Government	Urban Core	18,621
7	Children's Mercy Hospitals and Clinics	Health Care	Urban Core	6,696
10	City of Kansas City, Missouri	Municipal Government	Urban Core	4,300
13	DST Systems Inc.	Strategic Advisory and Business Operations	Urban Core	3,631
20	Truman Medical Centers	Health Care	Urban Core	3,126
25	Hallmark Cards Inc.	Greeting Cards	Urban Core	2,700

Source: The Kansas City Business Journal 2016

The following map shows the location of the top 25 employers in the Kansas City MSA.



Gross Domestic Product (GDP)

Gross Domestic Product is widely used as a measure of a county's economy by accounting for everything produced by the people and companies in that country. Gross Domestic Product includes personal consumption expenditures plus business investment plus government spending plus (exports minus imports). An increasing GDP means that the economy is growing, which in turn increases demand for all types of real estate. The following table reports GDP for the Kansas City MSA and various peer metros.

Peer MSA	2011	2012	2013	2014	2015	2016	Total Change	Average Change	2016 Rank
Kansas City	102,226	106,370	108,227	110,883	113,256	114,376	11.89%	1.98%	210
United States	*13,400,379*	*13,688,966*	*13,888,049*	*14,214,225*	*14,619,757*	*14,863,879*	10.92%	1.82%	-
Denver	153,031	157,916	159,987	169,519	176,148	180,446	17.91%	2.99%	116
Indianapolis	109,661	109,669	114,433	115,639	115,116	117,589	7.23%	1.20%	138
Minneapolis	201,598	202,891	206,171	212,880	215,881	217,566	7.92%	1.32%	222
Omaha	48,683	49,826	49,900	52,287	53,054	53,621	10.14%	1.69%	205
Salt Lake City	64,477	65,892	66,175	67,976	71,253	73,424	13.88%	2.31%	76
St. Louis	133,252	134,592	136,156	137,606	139,580	140,712	5.60%	0.93%	221
Wichita	27,711	28,346	26,528	27,335	28,995	28,592	3.18%	0.53%	323
Average								**1.57%**	

*Real GDP adjusted for inflation in millions of dollars

Kansas City has an annual average increase in real GDP of 1.98% since 2011, which ranks 210 in the nation and towards the middle of the peer dataset that ranges from 0.53% to 2.99%. Kansas City has

a moderately growing economy when compared to other metros of similar size and economic base, which supports future growth and demand for space of all types.

Outlook and Conclusions

The Kansas City MSA has seven basic types of employment with Jackson County having nine basic types of employment resulting in greater economic diversity. The public administration sector is the largest employment category (23.1%) in the market area with professional, scientific, and technology (12.7%) being the second largest employment industry. The government offices of Kansas City, Missouri and Jackson County are located in the CBD resulting in a higher concentration of public administration employment.

Employment growth in Kansas City, Missouri has averaged 0.70% from 2002 through 2016 with the national average being 0.68% and the metro reporting 0.92% annual growth during the same time period. Annual employment growth in Kansas City, Missouri post-recession has been greater than prior to the economic downturn with annual growth of 4,034 jobs from 2012 to current. Downtown Kansas City is a major employment hub in Jackson County and the Kansas City MSA with continued redevelopment projected to increase employment opportunities and housing demand in the urban core.

HIGHEST AND BEST USE

The highest and best use of the property must be determined for both the subject site as though vacant, and for the property as currently improved. The highest and best use is the probable use that will support the highest residual value. In appraisal practice, the concept of highest and best use represents the premise upon which value is based. The highest and best use must be:

1. Physically possible for the site
2. Permitted under the zoning laws and deed restrictions that apply to the site
3. Economically feasible
4. The use which will produce the highest value) from among the possible, permissible, and economically feasible uses

Highest and Best Use (Site as if Currently Vacant)

The following analysis pertains to the "site as if vacant."

Vacant Site Options
Two options exist for a vacant site:

- Develop the site immediately
- Hold the site for a future use

Physically Possible Use
As detailed in the site description section, the site's physical characteristics should reasonably accommodate any use that is not restricted by its size ranging from 0.42 to 15.79 acres (18,090 to 687,957 square feet). The sites have level topography and are shovel ready for development. The size, shape and utilities of each site do not cause any loss of functionality. Please see the Site Description Section for detailed characteristics pertaining to the subject site.

Legally Permissible Use
Permitted uses are often restricted by zoning codes, land use agreements, easements, and private deed restrictions. The sites are zoned MPD - Master Planned Development. The MPD zoning allows for a variety of uses pending city approval with an emphasis placed on mixed use development. According to the client, all of the subject parcels except Lots 7, 10, and 13 are planned for a mixed use project that will be in conformance with the MPD zoning. Based on the urban location and planned land uses, we have considered an office, retail, and apartment use in determining the highest and best use of the site, "as if vacant."

Feasible Use
The third test discusses financial feasibility and what use will produce the highest net return to the land. For a potential use to be considered it must have the potential to provide a sufficient return to attract investment capital over alternative forms of investment. The following paragraphs provide inferred demand analysis of each potential use.

- **Office Use – 1st Quarter 2017**
  According to CoStar, general office vacancy in the CBD and Freight House District

submarkets is currently 9.00% with a full service asking rent ranging from $17.52 to $22.03 per square foot. Both the rental rate and occupancy rate lag other submarkets in the metro. Based on the performance of the existing office market and the subject's location, building an office building is not considered to be a feasible use of the site "as if vacant." Current market fundamentals do not support the cost of new construction in the market area without economic incentives.

Total Office Submarket Statistics **First Quarter 2017**

	Existing Inventory		Vacancy			YTD Net	YTD	Under	Quoted
Market	# Blds	Total RBA	Direct SF	Total SF	Vac %	Absorption	Deliveries	Const SF	Rates
Brookside	38	549,596	88,420	88,420	16.1%	(26,200)	0	0	$14.36
CBD	184	17,420,096	1,634,394	1,637,663	9.4%	327,301	0	0	$17.52
College Blvd	372	20,444,011	1,482,150	1,741,304	8.5%	114,028	147,463	278,695	$21.65
Country Club Plaza	119	5,153,424	239,227	256,860	5.0%	(11,400)	0	0	$23.65
Crown Center	62	6,112,185	334,645	426,229	7.0%	88,762	60,000	0	$18.90
Downtown Kansas KC KS	65	1,696,519	355,471	355,471	21.0%	(13,757)	0	0	$17.52
East Jackson County	562	6,014,561	602,890	602,890	10.0%	124,171	0	0	$15.12
Freight House District	111	2,307,879	212,358	214,608	9.3%	(18,347)	0	0	$22.03
I-29 Corridor	138	3,667,369	907,424	907,424	24.7%	1,364	7,200	5,860	$15.73
I-35 Corridor	420	7,487,017	551,886	556,261	7.4%	1,354	0	0	$16.98
Kansas City KS	210	3,058,477	93,857	93,857	3.1%	4,675	0	100,000	$14.10
Kansas City MO	205	3,729,671	238,985	238,985	6.4%	8,152	0	0	$20.41
Midtown	269	4,660,365	203,533	204,882	4.4%	4,257	0	166,650	$16.66
Northeast Johnson County	414	8,093,357	637,895	648,834	8.0%	21,614	0	18,900	$19.44
Northwest Johnson County	251	4,449,102	340,784	340,784	7.7%	(405)	0	46,270	$20.47
South Johnson County	467	8,459,574	419,435	423,630	5.0%	36,625	101,153	83,000	$20.22
South Kansas City MO	155	5,361,766	411,391	420,611	7.8%	11,591	0	110,000	$18.07
Southeast Jackson County	254	3,127,294	133,138	133,138	4.3%	13,317	0	0	$17.25
Ward Parkway	96	3,734,930	331,104	439,222	11.8%	(62,903)	0	0	$17.83
West Bottoms	56	1,481,489	194,661	194,661	13.1%	(2,022)	0	0	$16.12
Totals	**4,448**	**117,008,682**	**9,413,648**	**9,925,734**	**8.5%**	**622,177**	**315,816**	**809,375**	**$18.71**

Source: CoStar Property®

- **Retail Use – 1st Quarter 2017**

  According to CoStar, general retail vacancy in the CBD and Freight House District ranges from 0.8% to 5.2% with a rental rate ranging from $13.33 to $18.11 per square foot. The immediate area lacks the fundamentals to construct a single or multitenant retail building of multiple stories. Therefore, building a freestanding retail building without economic incentives is not considered to be a feasible use of the site "as if vacant".

Total Retail Submarket Statistics **First Quarter 2017**

	Existing Inventory		Vacancy			YTD Net	YTD	Under	Quoted
Market	# Blds	Total GLA	Direct SF	Total SF	Vac %	Absorption	Deliveries	Const SF	Rates
Brookside	63	393,096	6,712	6,712	1.7%	(2,341)	0	0	$17.32
CBD	95	1,298,326	10,847	10,847	0.8%	0	0	0	$18.11
College Blvd	205	4,795,367	141,600	141,600	3.0%	3,784	6,000	14,632	$17.18
Freight House District	116	722,756	37,830	37,830	5.2%	14,167	0	0	$13.33
Kansas City MO	808	5,060,633	96,663	96,663	1.9%	66,676	0	0	$12.67
Midtown	404	3,569,535	189,869	189,869	5.3%	10,180	0	0	$10.63
West Bottoms	76	318,969	2,800	2,800	0.9%	0	0	0	$9.80
Totals	**8,817**	**114,224,045**	**6,650,838**	**6,936,071**	**6.1%**	**478,551**	**467,448**	**524,683**	**$13.28**

Source: CoStar Property®

- **Apartment Use**

  Apartment occupancy in the urban core ranges from 96% to 100% with unadjusted rental rates generally ranging from $1.40 to $1.80 per square foot. There have been several apartment projects announced for development and currently in process in the CBD. The proposed supply will absorb a significant portion of the pent-up demand and could help to stabilize market fundamentals. Based on the existing market fundamentals, it is

inferred that an apartment use with economic incentives is a feasible option. Current asking rents due to not support the cost of new construction, which is shown by most projects in the urban core receiving incentives to make the project feasible. However, due to the amount of pending supply in the urban core, caution should be exercised as the market is nearing the equilibrium point which could soften market fundamentals over the holding period.

Maximally Profitable

Based on the previous tests, the development of a high-density apartment use or a mixed-use project (apartments and retail) is concluded to be maximally profitable, and the highest and best use of the site, "as if vacant." However, caution should be exercised as the apartment market in the urban core is nearing equilibrium with several thousand units coming online in 2017 and 2018, which could soften market fundamentals. In addition, the use of economic incentives will be required in order to make the project feasible due to the urban location and higher construction costs. The most likely tenants will be lifestyle or renters' by choice who desire an urban living experience with a slightly lower price point.

APPRAISAL PROCESS

The cost, sales comparison, and income approaches were all considered in estimating the market value of the subject property. Due to the subject being vacant land, we have excluded the cost approach and income approach to value in our analysis. The cost approach is used for improved properties and does not apply to land valuation. The income approach through the subdivision development method and the land residual method can be a viable procedure for land held as an investment. Since the subject sites will be sold to an end-user instead of a bulk purchaser, both the subdivision development method and land residual method are not applicable to this assignment.

The sales comparison approach is most commonly used for land valuation. The appraiser gathers data on sales of comparable properties and analyzes the nature and conditions of each sale, making adjustments for dissimilar characteristics. Typically, a common denominator, or unit of comparison is found such as price per square foot, price per unit, or gross income multiplier. For the purpose of our analysis only the sales comparison approach has been utilized in the report.

SALES COMPARISON APPROACH – LAND VALUE

We valued a typical site using the sales comparison approach. The subject consists of ten lots ranging in size from 0.42 to 15.79 acres. The lots have a median size of 2.70 acres with Lot 12 being an outlier at 15.79 acres. The remaining nine lots range in size from 0.42 to 7.08 acres with a median size of 2.61 acres or 113,695 square feet. For the purpose of our analysis we have used a median site size of 2.61 acres to determine an appropriate per square foot value and have then applied the reconciled per square foot value to each subject lot. In the sales comparison approach to value, the following steps have been taken in estimating a market value.

- Research recent sales of comparable properties
- Select the most comparable sales and analyze the pertinent data of each sale
- Adjust the sales for differences in the various elements of comparison
- Summarize the analysis and conclude a value indication based upon the adjusted sale prices of the comparables

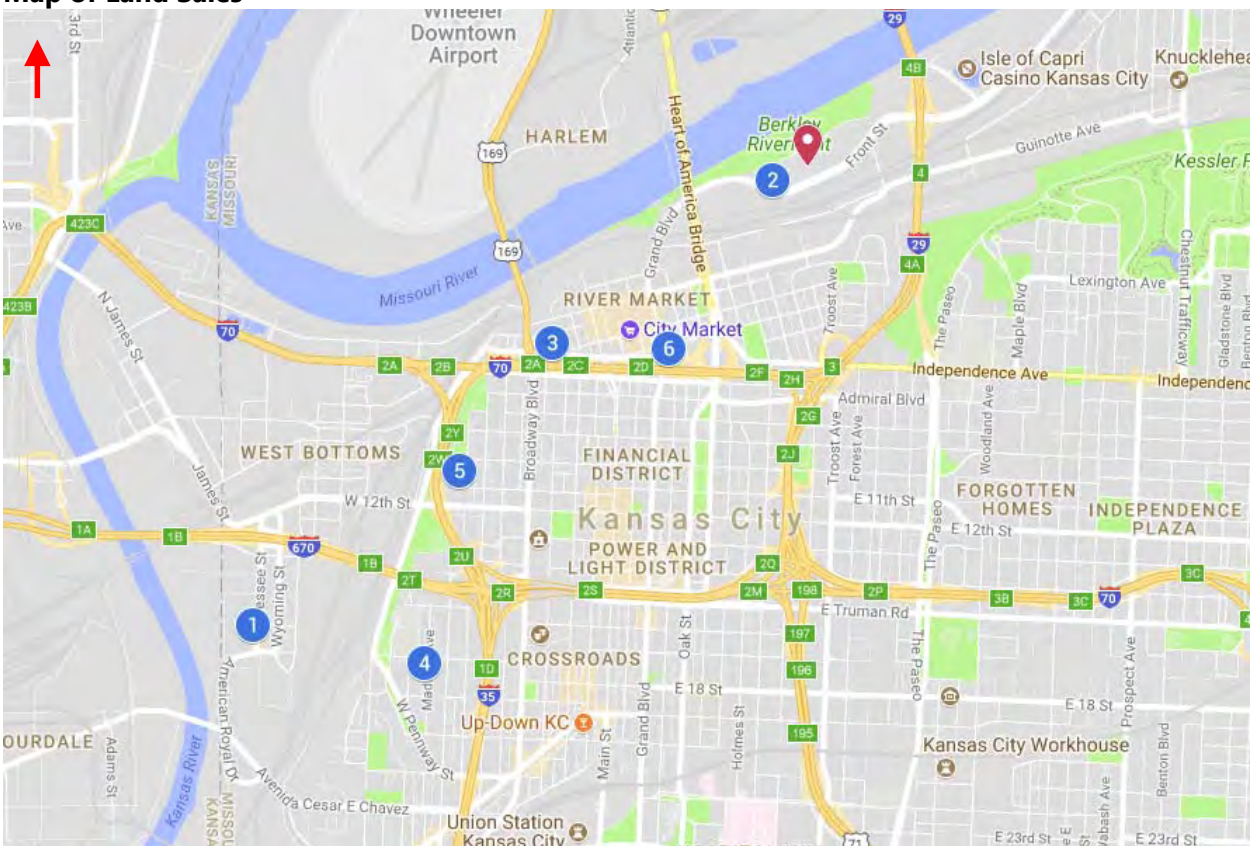
After researching and evaluating the available data regarding area land sales, we selected six sales believed to provide the best indication of value for the subject. Detailed descriptions of these sales are included at the end of this section. In evaluating the comparable sales, we selected price per square foot as the primary unit of comparison. Price per square foot is the most commonly used unit of comparison quoted by brokers, sellers, and purchasers when discussing sales transactions for land in the urban core and is considered the most relevant for the subject. The following table summarizes the land sales.

Summary Table of Land Sales

	Subject	Sale 1	Sale 2	Sale 3	Sale 4	Sale 5	Sale 6
Name	Subject	The Yards	Union at Berkley Park	River Market	EPC West Side	Apex on Quality Hill	Cornerstone
Address	Berkley Riverfront	1600 Genessee Street	NEC Front Street & Riverfront Road	227 West 4th Street	901 West 17th Street	707 West 10th Street	531 Grand Boulevard
City	Kansas City, MO	Kansas City, MO	Kansas City, MO	Kansas City, MO	Kansas City, MO	Kansas City, MO	Kansas City, MO
Sale Price	-	$3,000,000	$4,500,000	$2,500,000	$600,000	$3,770,000	$1,525,000
Date of Sale	Oct-17	In Contract	May-16	Dec-15	Oct-15	Mar-15	Aug-14
Analysis Price	-	$3,000,000	$4,500,000	$2,500,000	$665,142	$3,770,000	$1,530,000
Land Area SF	113,695	93,115	272,405	65,966	38,094	125,061	62,462
Price/SF	-	$32.22	$16.52	$37.90	$17.46	$30.15	$24.49
Land Area In Acres	2.61	2.14	6.25	1.51	0.87	2.87	1.43
Price/Acre	-	$1,403,426	$719,590	$1,650,850	760,581	$1,313,129	$1,066,998
Units	-	224	407	150	$64	130	140
Price per Unit	-	$13,393	$11,057	$16,667	$10,393	$29,000	$10,929
Density (Units/Acre)	-	104.79	65.08	99.05	73.18	45.28	97.63
Conditions of Sale	None	None	None	None	Demolition Costs	None	Remove foundation
Utilities	At Site	At Site	At Site	At Site	At Site	At Site	At Site
Zoning	MPD	UR	MPD	UR	B1-1 & R2.5	UR	UR

The following map shows the location of each comparable in relation to the subject.

Map of Land Sales



Elements of Comparison – Related to the Transaction

We have evaluated the comparable sales based on differences in various elements of comparison. The first of these are elements that must be compared in every analysis and are related to the property rights conveyed, the terms and conditions of the sale, and changes in market conditions. Sales 1, 2, 3, and 5 sold at market terms and no adjustment for property rights, terms, and conditions of sale were required. Sales 4 and 6 were adjusted upward in the analysis price to account for demolition costs.

Market Conditions

The sales transacted between August 2014 and May 2016 with Sale 1 being in-contract on the effective date of value. The effective date of this appraisal is October 4, 2017. The revitalization of the urban core and the recently built streetcar line have increased demand for developable land. Based on current market conditions and continued investment and redevelopment of downtown Kansas City, we have made an upward adjustment of 5.00% per year for market conditions.

Elements of Comparison – Related to the Real Estate

The locational, physical, and economic characteristics considered most appropriate for this analysis are discussed individually in the following paragraphs.

Location/Access

The location of the property can have a significant impact on the value of the property. This can be a location within a specific market, region, or business corridor. The subject is located in a less

developed part of the urban core that is just starting to be developed. The following table summarizes the location adjustment.

	Walkability	Market Appeal	Demographics	Service Amenities	Employment Centers	Adjustment
Subject	Limited	Average	Average	Minimal	Minimal	-
Sale 1	Slightly superior	Similar	Similar	Superior	Slightly superior	-15.00%
Sale 2	Similar	Similar	Similar	Similar	Similar	0.00%
Sale 3	Superior	Superior	Similar	Superior	Superior	-20.00%
Sale 4	Similar	Similar	Similar	Similar	Similar	0.00%
Sale 5	Slightly superior	Superior	Similar	Superior	Slightly superior	-15.00%
Sale 6	Superior	Superior	Similar	Superior	Superior	-20.00%

Size

Size regression is the basic economic principal that as the number of units of a commodity increases, the price per unit paid for the commodity decreases. It is the concept of the bulk sales discount. As applied to land, the number of units (acres, square feet, etc.) in a tract of land increases, the price or value per unit tends to decrease. In urban locations where land is at a premium, the classic size adjustment is inverted. The larger the contiguous site the more an investor or developer will pay for an urban location due to the difficulty and expense associated with assembling multiple sites. However, since the subject sites have a median size of 2.61 acres, which is larger than most sites in the urban core, we have used a traditional size adjustment in our analysis. The following table summarizes the size adjustment.

	Name	Address	City	Size (SF)	Size (Acres)	Adjustment
Subject	Subject	Berkley Riverfront	Kansas City, MO	113,695	2.61	-
Sale 1	The Yards	1600 Genessee Street	Kansas City, MO	93,115	2.14	0.00%
Sale 2	Union at Berkley Park	NEC Front Street & Riverfront	Kansas City, MO	272,405	6.25	5.00%
Sale 3	River Market	227 West 4th Street	Kansas City, MO	65,966	1.51	-5.00%
Sale 4	EPC West Side	901 West 17th Street	Kansas City, MO	38,094	0.87	-10.00%
Sale 5	Apex on Quality Hill	707 West 10th Street	Kansas City, MO	125,061	2.87	0.00%
Sale 6	Cornerstone	531 Grand Boulevard	Kansas City, MO	62,462	1.43	-5.00%

Zoning / Density

Various zoning classifications have a direct impact on the type and density of a potential development. Less restrictive zoning classifications are superior to more restrictive classifications. The subject is zoned MPD, which allows for the development of a variety of uses pending city approval. All of the sales were acquired for a residential or mixed use project and no adjustment for zoning is required. In addition, sales with a higher per unit density are inferior to sales with a lower per unit density due to economies of scale. The following table summarizes the density adjustment.

	Name	Address	City	Zoning	Density	Adjustment
Subject	Subject	Berkley Riverfront	Kansas City, MO	MPD	-	-
Sale 1	The Yards	1600 Genessee Street	Kansas City, MO	UR	104.79	0.00%
Sale 2	Union at Berkley Park	NEC Front Street & Riverfront	Kansas City, MO	MPD	65.08	20.00%
Sale 3	River Market	227 West 4th Street	Kansas City, MO	UR	99.05	0.00%
Sale 4	EPC West Side	901 West 17th Street	Kansas City, MO	B1-1 & R2.5	73.18	15.00%
Sale 5	Apex on Quality Hill	707 West 10th Street	Kansas City, MO	UR	45.28	30.00%
Sale 6	Cornerstone	531 Grand Boulevard	Kansas City, MO	UR	97.63	0.00%

Topography/Configuration

A level site with a rectangular or square configuration generally has the greatest value and utility from a development standpoint. The subject has level topography and is shovel ready site. All of the

sales have a level or gently sloping topography, have a similar configuration, and no adjustments were made.

Site Improvements

The subject has access to utilities and street improvements and will be a shovel ready site. All of the sales have access to utilities and street improvements and no adjustments were made for site improvements.

Value Indication – Median Site Size

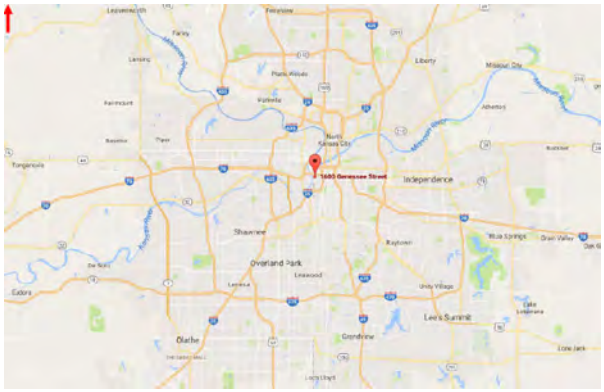
The adjustments are summarized in the following "Summary Grid of Adjustments." The sales provide an adjusted range of value indications from $20.18 to $39.17 per square foot with an average adjusted price of $26.86 per square foot and a median adjusted price of $24.75 per square foot. Sale 1 is the most recent sale and received the fewest total adjustments with Sales 1, 2, 4, and 6 having the tightest adjusted range of value. Based on these factors, we have estimated a typical per square foot land value to be as follows:

113,695 square feet x $25.00 per square foot = $2,840,000 (rounded)

Summary Grid of Adjustments

	Subject	Sale 1	Sale 2	Sale 3	Sale 4	Sale 5	Sale 6
Name	Subject	The Yards	Union at Berkley	River Market	EPC West Side	Apex on Quality Hill	Cornerstone
Address	Berkley Riverfront	1600 Genessee Street	NEC Front Street & Riverfront Road	227 West 4th Street	901 West 17th Street	707 West 10th Street	531 Grand Boulevard
City	Kansas City, MO	Kansas City, MO	Kansas City, MO	Kansas City, MO	Kansas City, MO	Kansas City, MO	Kansas City, MO
Land Area SF	113,695	93,115	272,405	65,966	38,094	125,061	62,462
Land Area In Acres	2.61	2.14	6.25	1.51	0.87	2.87	1.43
Ratio--Comp to Subj.	NA	0.82:1	2.40:1	0.58:1	0.34:1	1.10:1	0.55:1
Utilities	At Site	At Site	At Site	At Site	At Site	At Site	At Site
Zoning	MPD	UR	MPD	UR	B1-1 & R2.5	UR	UR
Sale Price	-	$3,000,000	$4,500,000	$2,500,000	$665,142	$3,770,000	$1,530,000
Price Per SF		$32.22	$16.52	$37.90	$17.46	$30.15	$24.49
Property Rights		Similar	Similar	Similar	Similar	Similar	Similar
Terms/Financing		Cash Equiv.	Cash Equiv.	Cash Equiv.	Cash Equiv.	Cash Equiv.	Cash Equiv.
Conditions of Sale		Similar	Similar	Similar	Similar	Similar	Similar
Time/Market Conditions		In Contract	May-16	Dec-15	Oct-15	Mar-15	Aug-14
Time Adjusted Price/SF		$32.22	$17.70	$41.39	$19.22	$34.06	$28.39
Location/Access		Superior	Similar	Superior	Similar	Superior	Superior
% Adjustment		-15.0%	0.0%	-20.0%	0.0%	-15.0%	-20.0%
$ Adjustment		-$4.83	$0.00	-$8.28	$0.00	-$5.11	-$5.68
Size		Similar	Inferior	Superior	Superior	Similar	Superior
% Adjustment		0.0%	5.0%	-5.0%	-10.0%	0.0%	-5.0%
$ Adjustment		$0.00	$0.88	-$2.07	-$1.92	$0.00	-$1.42
Zoning/Density		Similar	Inferior	Similar	Inferior	Inferior	Similar
% Adjustment		0.0%	20.0%	0.0%	15.0%	30.0%	0.0%
$ Adjustment		$0.00	$3.54	$0.00	$2.88	$10.22	$0.00
Topography/Configuration		Similar	Similar	Similar	Similar	Similar	Similar
% Adjustment		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
$ Adjustment		$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Site Improvements		Similar	Similar	Similar	Similar	Similar	Similar
% Adjustment		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
$ Adjustment		$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Net % Adjustments		-15.0%	33.9%	-18.1%	15.6%	29.9%	-13.1%
Net $ Adjustments		-$4.83	$5.60	-$6.85	$2.72	$9.02	-$3.20
Total % Adjustments		15.0%	33.9%	36.5%	37.6%	63.8%	44.9%
Total $ Adjustments		$4.83	$5.60	$13.84	$6.56	$19.24	$10.99
Adjusted Price/SF		$27.39	$22.12	$31.04	$20.18	$39.17	$21.29

Adjusted Price Indications		**Concluded Value**
Minimum Adjusted Price/SF	$20.18	$25.00/SF
Maximum Adjusted Price/SF	$39.17	$2,842,375
Average Adjusted Price/SF	$26.86	**$2,840,000 (Rnd.)**



Location

Property ID	640202	State	Missouri
Property Name	The Yards	Zip Code	64102
Address	1600 Genessee Street	MSA	Kansas City, MO-KS
City/Municipality	Kansas City	Property Use	Multi-Family Land
County	Jackson		
Additional Location Info	The property is located adjacent to the public parking garage		

Land

Tax Parcel Number	29-330-16-23-00-0-00-000 (parent parcel)		
Land Acres	2.13763	Usable Land Percent	0.0%
Land Sq Ft	93,115	Number of Lots	1
Floor to Area Ratio	2.62		
Primary Frontage Description	Genessee Street		
Secondary Frontage Desc	American Royal Drive		
Zoning Code	UR	Zoning Description	Urban Redevelopment
Zoning Comments	The site was rezoned from M3-5 to UR, Urban Redevelopment on October 18, 2016.		
Access	City street	Property On Ground Lease?	No
Shape	Rectangular	In Flood Plain?	Yes
Topography	Level	Flood Area %	0.00%
Grade	At grade	Flood Zone	Mostly Zone B
Visibility	Average	Flood Map Number	29095C0253G
Signalization?	No	Flood Map Effective Date	01-20-2017
Encumbrances/Easements?	No		
Flood Plain Description	Mostly Zone B, areas of minimal flood hazard, usually depicted on FIRMs as above the 500-year flood level or levee protected. The northeast portion of the site is located in the flood zone although no improvements will be built in this area.		
Utilities Description	All in place		
Additional Site Info	The subject site has yet to be subdivided from the parent parcel that includes the adjacent Livestock Exchange Building.		

Building

Proposed/potential GBA	244,179	Proposed No. of Buildings	1
Density (Units/Acre)	104.79	Proposed No. of Units	224
Current Use	Surface parking lot		

Building Finish

Additional Building Info	The property is a proposed six-story, 224-unit, mixed-use apartment project. The project will contain one residential building with street level retail space totaling 4,243 square feet. The subject will be located adjacent to and have access to a parking garage with 230 spaces that is owned and operated by the City of Kansas City, Missouri. The developer will have access to the parking garage for a period of 99 years with the annual lease being the pro-rata share of operating costs from years 11 through 99.

Sale Transaction

Sale Status	In-Contract	Proposed Use Change?	Yes
Seller	Livestock Exchange, LLC	Sale Confirmed By	Daniel Kann, MAI
Seller Info	Bill Haw	Sale Confirmed With	Buyer, lender, contract, appraisal
Buyer	Flaherty & Collins Properties	Confirmation Date	04-24-2017
Sale Price	$3,000,000	Inspection Date	03-19-2017
Conveyance Document Type	Warranty Deed	Sale ID	73847
Days on Market	Not openly marketed for sale		

Financing Description	New bank loan
Sale Remarks	The property will be granted 25 year tax abatement from the PIEA.

Analysis

Property Rights Conveyed	Fee Simple	Conditions of Sale	Typical
Percent Conveyed	100%	Adjusted Sale Price	$3,000,000
Financing Terms	Typical		

Cost Analysis

Contributory Value of Land	$0	Improvements Value Per Acre	$0
Land Value Per SF	$.00		

Adjusted Price Indices

Adj Price per Proposed GBA SF	$12.29	Adjusted Price/SF of Land	$32.22
Adj Price per Proposed Unit	$13,393	Adjusted Price per Lot	$3,000,000
Adjusted Price/Acre	$1,403,426		

UnAdjusted Price Indices

Unadjusted Price/Proposed GBA SF	$12.29	Unadjusted Price/SF Land	$32.22
Unadjusted Price/Proposed Unit	$13,393	Unadjusted Price/Lot	$3,000,000
Unadjusted Price/Acre	$1,403,426		

Location

Property ID	637013	State	Missouri
Property Name	Union at Berkley Park	Zip Code	64120
Address	NEC of Front Street and River Front Road	MSA	Kansas City, MO-KS
		Property Use	Multi-Family Land
City/Municipality	Kansas City		
County	Jackson		

Additional Location Info	The property is the located in the Berkley Riverfront Park which is owned and operated by the Port Authority of Kansas City.

Land

Tax Parcel Number	12-800-01-07-01-1-00-000 & 12-800-01-07-01-2-00-000		
Land Acres	6.25356	Usable Land Acres	6.25356
Land Sq Ft	272,405	Usable Land Area (SF)	272,405
Floor to Area Ratio	1.76	Usable Land Percent	100.0%
Primary Frontage Description	Riverfront Road		
Zoning Code	M1.5	Encumbrances/Easements?	No
Zoning Description	Manufacturing 1-5 District	Property On Ground Lease?	No
Access	City street	In Flood Plain?	No
Shape	Irregular	SF in Flood Plain	0
Topography	Level	Flood Area %	0.00%
Grade	At grade	Flood Zone	Zone B - Levy Protected
Drainage	Adequate	Flood Map Number	2901730075B
Visibility	Average	Flood Map Effective Date	08-05-1986
Signalization?	No		

Flood Plain Description	Zone B, Areas of 500-year flood, areas of 100-year flood with average depths of less than 1 foot or with drainage areas less than one square mile; and areas protected by levees from 100-year flood. The subject is located in a levee protected area
Utilities Description	All in place
Site Improvements	The site is currently unimproved and part of a larger parcel that will be subdivided by the Port Authority in an effort to development the riverfront.

Building

Proposed/potential GBA	478,174	Proposed No. of Buildings	2
Density (Units/Acre)	65.08	Proposed No. of Units	407

Building Finish

Improvements Description	The subject is a proposed, four story, 407 unit, mixed-use project located in the NEC of Front Street and River Front Road in Kansas City, Jackson County, Missouri. The project will be located within the Berkley Riverfront Park, which is owned by the Port
Additional Building Info	The site will be developed with a four story, 407 unit, mixed-use project. The residential improvements will contain approximately 478,174 square feet of gross building area and 351,556 square feet of net rentable area. The project will also have a total of 12,000 square feet of rentable commercial space on the ground floor and feature a 446 space parking garage totaling 148,910 square feet.

Sale Transaction

Sale Status	In-Contract	Sale Confirmed By	Daniel Kann, MAI
Seller	Port Authority of Kansas City, Missouri	Sale Confirmed With	Buyer, Seller, Lender, Contract
		Confirmation Date	06-28-2016
Buyer	Flaherty & Collins Properties	Inspection Date	05-17-2016
Sale Date	05-17-2016	Sale ID	71520
Sale Price	$4,500,000		
Proposed Use Change?	Yes		
Financing Description	New loan from TCF National Bank		
Sale History	According to Joe Perry with the Port Authority, there were two interested parties wanting to lease the subject site with the subject developer being the lower bidder. Mr. Perry reported that the other bidder was not selected due to the developer having less experience.		
Sale Remarks	The Port Authority serves as a public redevelopment organization for the purpose of generating new capital investment for both private ventures and public infrastructure in order to produce new job opportunities, and an increased tax base. As part of the development agreement, the Port Authority has agreed to spend approximately $3,000,000 to bring the site and surrounding park up to a buildable state.		

Analysis

Property Rights Conveyed	Fee Simple	Conditions of Sale	Typical
Percent Conveyed	100%	Adjusted Sale Price	$4,500,000
Financing Terms	Typical		

Cost Analysis

Contributory Value of Land	$0	Land Value Per SF	$.00

Adjusted Price Indices

Adj Price per Proposed GBA SF	$9.41	Adjusted Price/SF of Land	$16.52
Adj Price per Proposed Unit	$11,057	Adjusted Price/SF of Usable Land	$16.52
Adjusted Price/Acre	$719,590	Adjusted Price/Acre of Usable Land	$719,590

UnAdjusted Price Indices

Unadjusted Price/Proposed GBA SF	$9.41	Unadjusted Price/SF Land	$16.52
Unadjusted Price/Proposed Unit	$11,057	Unadjusted Price/SF Usable Land	$16.52
Unadjusted Price/Acre	$719,590	Unadjusted Price/Acre of Usable Land	$719,590

Remarks

Property Remarks	The property will be required to pay a Port Authority Special Assessment each year to cover the pro-rata share of the operating costs of the Berkley Riverfront Park as well as help fund future improvements to the park. The assessment has yet to be approved and is contingent on the type of services and amenities that will be added to the park as the riverfront is built-out.

Location

Property ID	637363	Zip Code	64105
Property Name	River Market Land	MSA	Kansas City, MO-KS
Address	227 West 4th Street	Market Area	Jackson County
City/Municipality	Kansas City	Submarket Area	River Market
County	Jackson	Property Use	Commercial Land
State	Missouri		

Land

Tax Parcel Number	12-830-29-04-00-0-00-000, 12-830-29-05-00-0-00-000, 12-830-29-11-00-0-00-000, and 12-830-29-15-00-0-00-000		
Land Acres	1.51437	Usable Land Area (SF)	65,966
Land Sq Ft	65,966	Usable Land Percent	100.0%
Usable Land Acres	1.51437		
Primary Frontage Description	West 4th Street		
Zoning Jurisdiction	City of Kansas City, Missouri	Zoning Description	Urban Redevelopment District
Zoning Code	UR		
Zoning Comments	The purpose of the UR, Urban Redevelopment district is to promote development and redevelopment of underdeveloped and blighted sections of the city and to accommodate flexibility in design to help ensure realization of the stated purposes of an approved plan for redevelopment.		
Shape	Irregular	Flood Zone	Zone C
Topography	Generally level	Flood Map Number	2901730090B
Grade	Below street grade	Flood Map Effective Date	08-05-1986
Parcel Type	Mid-Block	Utilities Description	All available
In Flood Plain?	No		

Building

Density (Units/Acre)	99.05	Proposed No. of Units	150

Sale Transaction

Sale Status	Recorded	Recording Number	2015E0113448 and 2015E0114911
Seller	Jeffrey E. Smith Investment Co. L.C.	Sale Confirmed By	Garrett Connolly
Buyer	RMWEST, LLC	Sale Confirmed With	George Birt - Buyer
Buyer Info	George Birt	Confirmed With Phone	(816) 918-6179
Sale Date	12-16-2015	Confirmation Date	08-12-2016
Recording Date	12-18-2015	Comp Classification	A - Confirmed by appraiser with principal/broker involved with transaction.
Sale Price	$2,500,000		
		Sale ID	71751
Sale Remarks	Both a quit claim deed and special warranty deed were filled with the Jackson County recorder's office. An industrial building was purchased by an entity known as RMwest III, LLC, the buyer stated that his transaction was for land only and he did not purchase this building.		

Analysis

Property Rights Conveyed	Fee Simple	Expenditures After Purchase $	$0
Financing Terms	Typical	Atypical Costs after Sale $	$0
Conditions of Sale	Typical	Adjusted Sale Price	$2,500,000

Cost Analysis

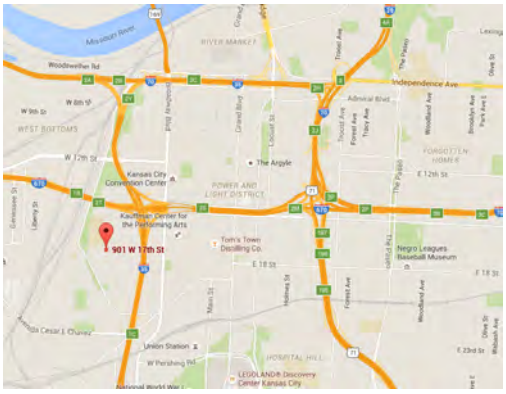
Improvements Value Per Acre	$0

Adjusted Price Indices

Adj Price per Proposed Unit	$16,667	Adjusted Price/SF of Usable Land	$37.90
Adjusted Price/Acre	$1,650,850	Adjusted Price/Acre of Usable Land	$1,650,850
Adjusted Price/SF of Land	$37.90		

UnAdjusted Price Indices

Unadjusted Price/Proposed Unit	$16,667	Unadjusted Price/SF Usable Land	$37.90
Unadjusted Price/Acre	$1,650,850	Unadjusted Price/Acre of Usable Land	$1,650,850
Unadjusted Price/SF Land	$37.90		



Location

Property ID	638101	State	Missouri
Property Name	EPC West Side Mixed-Use Land - VPA	Zip Code	64108
		MSA	Kansas City, MO-KS
Address	901 West 17th Street & 1724 Madison Avenue	Market Area	Jackson County
		Property Use	Mixed Use Land
City/Municipality	Kansas City		
County	Jackson		
Legal Description	All of Lots 22, 23, 24, 25, 29, 30 and 31, Block 2, JARBOE'S ADDITION, a subdivision in Kansas City, Jackson County, Missouri, according to the recorded plat thereof.		
Additional Location Info	Site is located at the SWC of 17th and Madison.		

Land

Tax Parcel Number	29-410-06-01-00-0-00-000 and 29-410-06-23-00-0-00-000		
Land Acres	0.87452	Primary Frontage (Feet)	165.00
Land Sq Ft	38,094	Primary Frontage Type	Collector
Usable Land Acres	0.87452	Secondary Frontage (Feet)	252.00
Usable Land Area (SF)	38,094	Secondary Street Type	Secondary
Usable Land Percent	100.0%		
Primary Frontage Description	West 17th Street		
Secondary Frontage Desc	Madison Avenue		
Zoning Jurisdiction	Kansas City, MO	Drainage	Assumed adequate
Zoning Code	B1-1 & R-2.5	Visibility	Good
Zoning Description	Neighborhood Business District & Residential District	Parcel Type	Corner
		In Flood Plain?	No
Access	Direct from both Madison & 17th & additional alley access	Flood Zone	Zone C
		Flood Map Number	2901730090B
Shape	L-shaped	Flood Map Effective Date	08-05-1986
Topography	Level to sloping		
Grade	At street grade		
Flood Plain Description	According to FEMA flood zone designations, Zone C is an area of minimal flood hazard and is usually above the 500-year floodplain.		
Utilities Description	All available		
Site Improvements	The northern parcel is improved with two barrel-roofed vacant warehouses		

Building

Density (Units/Acre)	73.18	Proposed No. of Units	64

Building Finish

Additional Building Info	The site is planned for a $14 million four-story apartment and commercial complex (12,000 SF of commercial space is planned), and townhomes. The improvements will include a 99 stall underground parking structure , 60 apartment units and four townhome units.

Sale Transaction

Sale Status	Recorded	Conveyance Document Type	Trustee's Deed
Seller	Louise B Bennett Living Trust	Recording Number	2015E0102658
Buyer	17M Land Investors, LLC	Proposed Use Change?	Yes
Buyer Info	EPC Real Estate Group	Proposed Use	Mixed-use (MF & Commercial)
Sale Date	10-28-2015	Sale Confirmed By	Garrett Connolly
Recording Date	11-13-2015	Sale Confirmed With	Confidential
Sale Price	$600,000	Confirmation Date	03-18-2016
Asking Price	$525,000	Comp Classification	B - Confirmed by appraiser with principal/broker or informed 3rd party.
Sale Price/List Price Ratio	114%		
		Sale ID	72242

Analysis

Property Rights Conveyed	Fee Simple	Expenditures After Purchase $	$65,142
Percent Conveyed	100%	Expenditures After Purchases Desc	Demolition costs
Financing Terms	Typical	Adjusted Sale Price	$665,142
Conditions of Sale	Typical		

Cost Analysis

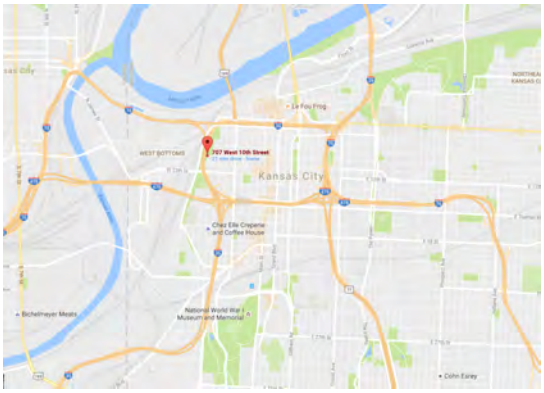
Contributory Value of Land	$0	Land Value Per SF	$.00
Land Value Per Acre	$0	Improvements Value Per Acre	$0

Adjusted Price Indices

Adj Price per Proposed Unit	$10,393	Adjusted Price/SF of Usable Land	$17.46
Adjusted Price/Acre	$760,581	Adjusted Price/Acre of Usable Land	$760,581
Adjusted Price/SF of Land	$17.46	Adjusted Price per FF	$4,031.16

UnAdjusted Price Indices

Unadjusted Price/Proposed Unit	$9,375	Unadjusted Price/SF Usable Land	$15.75
Unadjusted Price/Acre	$686,092	Unadjusted Price/Acre of Usable Land	$686,092
Unadjusted Price/SF Land	$15.75		
		Unadjusted Price/FF	$3,636.36



Location

Property ID	637388	Zip Code	64105
Property Name	Apex on Quality Hill Land - VPA	MSA	Kansas City, MO-KS
Address	707 West 10th Street	Market Area	Jackson County
City/Municipality	Kansas City	Submarket Area	CBD
County	Jackson	Neighborhood	Quality Hill
State	Missouri	Property Use	Multi-Family Land, Apartment
Legal Description	APEX ON QUALITY HILL...MERGE LOTS 1-17 Lot 2, BROOKWOOD ADDITION, a subdivision in Kansas City, Jackson County, Missouri, according to the recorded plat thereof.		

Land

Tax Parcel Number	29-310-33-13-00-0-00-000 and 29-340-02-22-00-0-00-000		
Land Acres	2.87101	Usable Land Percent	100.0%
Land Sq Ft	125,061	Zoning Jurisdiction	City of Kansas City, Missouri
Usable Land Acres	2.87101	Zoning Code	UR
Usable Land Area (SF)	125,061	Zoning Description	Urban Residential
General Plan Designation	To provide quality apartment development in a higher density setting, while ensuring that livability, property values; open spaces, safety and the gneral welfare will be sustained.		
Shape	Irregular almost rectangular	Flood Zone	Zone C
Topography	Rolling	Flood Map Number	290173009B
Grade	At or above grade	Flood Map Effective Date	08-05-1986
In Flood Plain?	No		
Flood Plain Description	According to FEMA flood zone designations, Zone C is an area of minimal flood hazard and is usually above the 500-year floodplain.		
Utilities Description	All available		

Building

Density (Units/Acre)	45.28	Proposed No. of Units	130

Sale Transaction

Sale Status	Recorded	Conveyance Document Type	Special Warranty Deed
Seller	Broadway Square Partners, LLC	Recording Number	2015E0026475 and 2015E0026478
Seller Info	SCOL, Inc. and DST Realty, Inc.	Sale Confirmed By	Garrett Connolly
Buyer	Summit Apex Apartments, LLC	Sale Confirmed With	Jeffrey Bentz - C&W and Confidential
Buyer Info	Cityscape Residential		
Sale Date	03-31-2015	Confirmation Date	08-16-2016
Recording Date	03-31-2015	Comp Classification	B - Confirmed by appraiser with principal/broker or informed 3rd party.
Sale Price	$3,770,000		
		Sale ID	71771
Sale Remarks	Sale was obtained from information provided by Jeffrey Bentz of Cushman & Wakefield. Not sure if he was affiliated with the transaction.		

Analysis

Property Rights Conveyed	Fee Simple	Expenditures After Purchase $	$0
Financing Terms	Typical	Adjusted Sale Price	$3,770,000
Conditions of Sale	Typical		

Cost Analysis

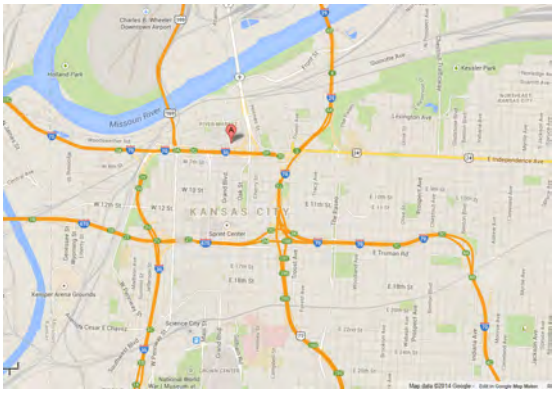
Contributory Value of Land	$0	Land Value Per SF	$.00
Land Value Per Acre	$0	Improvements Value Per Acre	$0

Adjusted Price Indices

Adj Price per Proposed Unit	$29,000	Adjusted Price/SF of Usable Land	$30.15
Adjusted Price/Acre	$1,313,127	Adjusted Price/Acre of Usable Land	$1,313,129
Adjusted Price/SF of Land	$30.15		

UnAdjusted Price Indices

Unadjusted Price/Proposed Unit	$29,000	Unadjusted Price/SF Usable Land	$30.15
Unadjusted Price/Acre	$1,313,127	Unadjusted Price/Acre of Usable Land	$1,313,129
Unadjusted Price/SF Land	$30.15		



Location

Property ID	630235	State	Missouri
Property Name	Cornerstone Apartments	Zip Code	64106
Address	531 Grand Boulevard	MSA	Kansas City, MO-KS
City/Municipality	Kansas City	Property Use	Multi-Family Land
County	Jackson		
Additional Location Info	The property is located in the SEC of East Missouri Avenue and Grand Boulevard		

Land

Tax Parcel Number	12-840-42-02-00-0-00-000 & 12-830-40-02-00-0-00-000 & 12-830-40-03-00-0-00-000		
Land Acres	1.43393	Usable Land Area (SF)	62,462
Land Sq Ft	62,462	Usable Land Percent	100.0%
Usable Land Acres	1.43393		
Primary Frontage Description	Grand Boulevard		
Secondary Frontage Desc	East Missouri Avenue		
Zoning Code	UR	Signalization?	Yes
Zoning Description	Urban Redevelopment	Encumbrances/Easements?	No
Access	City street	Property On Ground Lease?	No
Shape	Irregular	In Flood Plain?	No
Topography	Level	Flood Area %	0.00%
Grade	At grade	Flood Zone	C
Drainage	Adequate	Flood Map Number	2901730090B
Land Cover	Vacant lot with a prior building foundation	Utilities Description	All in place
Visibility	Good		
Site Improvements	The property is currently vacant in anticipation of being redeveloped. There is an existing foundation that remains from the prior building that was demolished.		

Building

Density (Units/Acre)	97.63	Proposed No. of Buildings	1
Current Use	Vacant land	Proposed No. of Units	140

Building Finish

Additional Building Info	The site is proposed to be improved with a 140 unit mid-rise apartment project consisting of one building with street level commercial space totaling 10,000 square feet. The project will be six stories and be of wood frame construction with a stucco and brick exterior and have an underground parking garage.

Sale Transaction

Sale Status	Closed	Recording Number	2014E0105364
Seller	SAM Properties, LLC	Proposed Use Change?	Yes
Buyer	Cornerstone Associates, LLC	Proposed Use	Mixed-use
Sale Date	08-20-2014	Sale Confirmed By	Daniel Kann, MAI
Recording Date	12-19-2014	Sale Confirmed With	Buyer and sales contract
Sale Price	$1,525,000	Confirmation Date	09-22-2014
Conveyance Document Type	Warranty Deed	Sale ID	66970
Sale History	The property was listed with Cassidy Turley		

Analysis

Property Rights Conveyed	Fee Simple	Expenditures After Purchase $	$5,000
Percent Conveyed	100%	Expenditures After Purchases Desc	Remove foundation
Financing Terms	Typical	Adjusted Sale Price	$1,530,000
Conditions of Sale	Typical		

Cost Analysis

Contributory Value of Land	$0	Improvements Value Per Acre	$0
Land Value Per SF	$.00		

Adjusted Price Indices

Adj Price per Proposed Unit	$10,929	Adjusted Price/SF of Usable Land	$24.49
Adjusted Price/Acre	$1,066,998	Adjusted Price/Acre of Usable Land	$1,066,998
Adjusted Price/SF of Land	$24.49		

UnAdjusted Price Indices

Unadjusted Price/Proposed Unit	$10,893	Unadjusted Price/SF Usable Land	$24.41
Unadjusted Price/Acre	$1,063,511	Unadjusted Price/Acre of Usable Land	$1,063,511
Unadjusted Price/SF Land	$24.41		

Current Listings

As a test of reasonableness, the following table summarizes current land listings in the urban core. The three listings range in asking price from $20.06 to $30.00 per square foot. The subject is inferior to Listings 1 and 3 and overall superior to Listing 2. The listings support a value range of more than $20.00 per square foot and less than $28.00 per square foot. The concluded value of $25.00 per square foot is within the range of current listings.

Address	Size (SF)	Size (Acres)	Price	Sale Date	Price / SF	Zoning	Utilities	DOM	Rating
410 Locust Street	8,520	0.20	$240,000	Listing	$28.17	DC-15	At Site	952	Superior
1400 Genessee Street	146,362	3.36	$2,935,944	Listing	$20.06	M2B	At Site	3,956	Inferior
1914 Cherry Street	251,341	5.77	$7,540,230	Listing	$30.00	M1-5	At Site	168	Superior

*DOM - Days on Market per CoStar

Size Adjusted Value

After considering the analysis of the comparable sales and active listings in the area, we have concluded a base unit value of $25.00 per square foot. As noted earlier, smaller properties typically sell for a lower per square foot value when located in an urban location. According to the site plan, the subject lots have a site size ranging from 0.42 to 15.79 acres. The following table summarizes the size adjustments and concluded per square foot value for various lot sizes.

Subject Size Range (SF)	Concluded Median Value/SF	Size Adjustment	Reconciled Subject Value/SF
0 - 0.75 acres	$25.00	10.00%	$27.50
0.75 - 1.50 acres	$25.00	5.00%	$26.25
1.50 - 3.50 acres	$25.00	0.00%	$25.00
3.50 - 6.50 acres	$25.00	-10.00%	$22.50
6.50 - 12.00 acres	$25.00	-20.00%	$20.00
12.00 - 20.00 acres	$25.00	-30.00%	$17.50

TRANSIT ORIENTED DEVELOPMENT (TOD)

Proposals to extend the streetcar to the Riverfront are currently in discussion. As part of the discussion, the Port Authority is applying for a Tiger Grant to help with funding the streetcar extension. The discussion and analysis that follows assumes that the streetcar extension has been approved and is in place and operational.

Transit Oriented Development (TOD Overview

According to various sources, Transit Oriented Development (TOD) is a planning approach that rethinks how to plan, fund, and build communities in a manner that combines sustainable community planning practices, constructive development partnerships, and intelligent transportation solutions. The goal is to surround transit facilities with vibrant, carefully designed neighborhoods where people can live, work, shop, and enjoy entertainment, all within a safe and pleasant walk to transit. TOD offers convenient access to desirable locations by a variety of mobility options including transit, which can provide a higher quality of life than transportation solutions that focus only on the movement of motorized vehicles. Most TODs are located within a half-mile of a train station and have a higher walk score allowing for most errands to be completed on foot.

Transit-Oriented Development is a flexible term that can describe many different types of neighborhood character, street plans, and building types. TOD in higher density, more developed areas, such as downtown Chicago, may refer to taller apartment and condominium buildings with retail or office space on the lower floors. In more suburban areas, TOD may be row-houses or single family homes on smaller lots, located closer together and clustered around the transit station and a small retail/office hub or community center.

Transit Oriented Development Index

The TOD Index is an index of property and rental values surrounding TOD locations that was created by Dr. John L. Renne. Dr. Renne is the founder and Managing Director of The TOD Group, is a faculty member, Director and Associate Provost at the University of New Orleans, and is a Senior Visiting Research Associate at the University of Oxford. According to Dr. Renne, rental rates and home values in TOD locations have historically experienced greater capital appreciation during periods of economic growth and less downside depreciation during recessionary periods of the market cycle. Additional conclusions from Dr. Renne include:

- The financial performance of for-sale and rental housing in thousands of neighborhoods near rail stations across the United States significantly out-performs the national housing market. Among all station typologies, Transit Oriented Developments (TODs) are the leading performer.

- Households that live in TODs spend the lowest percentage of their income on housing and transportation costs compared to the average American household.

- Households in TODs demonstrate the lowest vehicle ownership rates and highest rates of transit, walk, bike commuting, which has important implications for environmental sustainability.

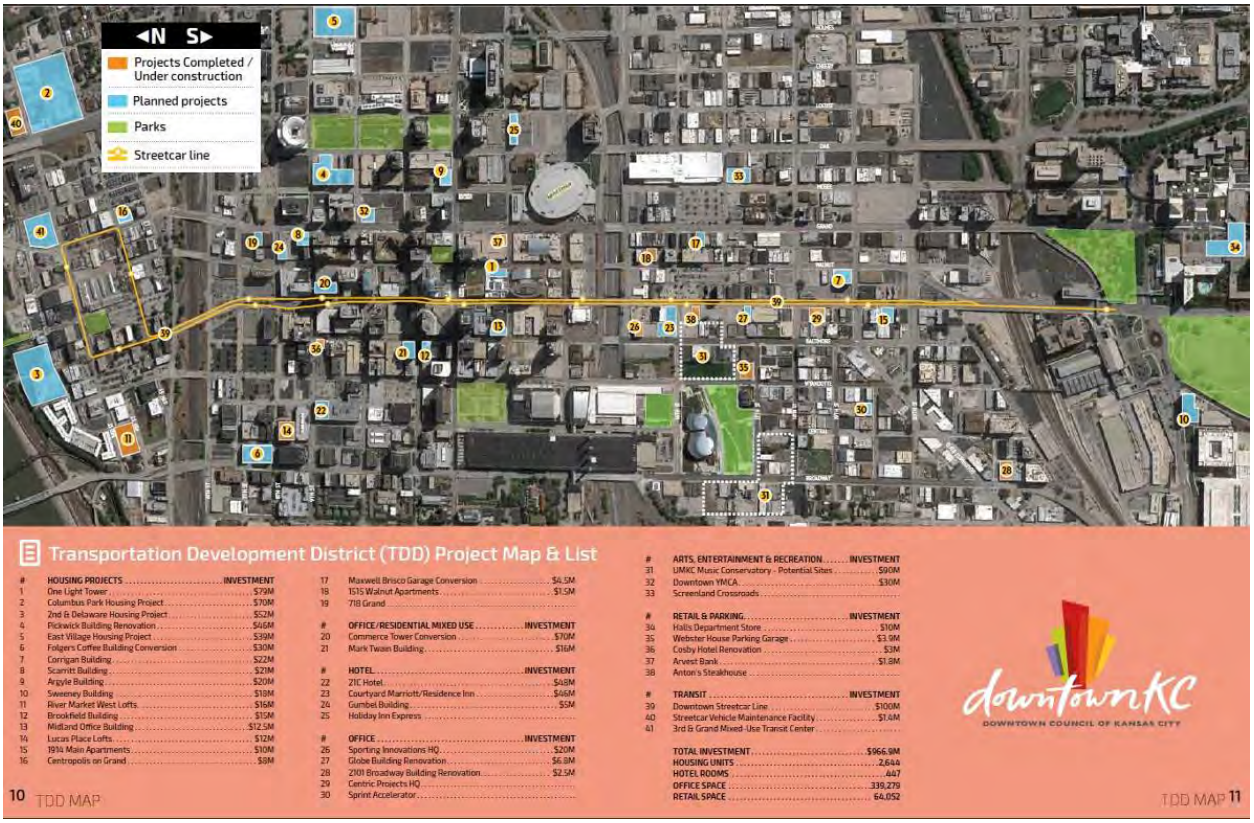
National Association of Realtors (NAR)

According to an article published by the National Association of Realtors titled *Public Transit Boost Property Values, If Conditions are Right*, "public transit can increase the development potential of real estate near high-capacity transit lines and stations, and thereby increase property values. The transit premium" can range from as little as a few percent increase to over 150 percent. The amount depends largely on the local regulatory environment, regional connections, and national and regional economics." The following table reports observed TOD premiums for various property types according to the National Association of Realtors.

Land Use	Transit Premium Range	
	Low	High
Single Family Residential	+ 2 percent within 200 feet of station (San Diego LRT, 1992)	+ 32 percent within 100 feet of station (St. Louis LRT, 2004)
Condominium	+ 2 percent within 2,640 feet of station (San Diego LRT, 2001)	+ 18 percent within 2,640 feet of station (San Diego LRT, 2001)
Apartment	0 percent to + 4 percent within 2,640 feet of station (San Diego LRT, 2001)	+ 45 percent within 1,320 feet of station (VTA LRT, 2004)
Office	+ 9 percent within 300 feet of station (Washington, D.C. Metrorail, 1981)	+ 120 percent within 1,320 feet of station (VTA LRT, 2004)
Retail	+ 1 percent within 500 feet of station (BART, 1978)	+ 167 percent within 200 feet of station (San Diego LRT, 2004)

Comparable Land Sales – Kansas City, Missouri

Land sales in the urban core are less abundant when compared to other areas of the MSA due to the built-out location. Additionally, a minimal amount of land sales along the streetcar line have transacted which makes extracting a transportation premium more difficult. Market participants report that land and shell building values along the streetcar line (Main Street) have increased since the first phase of the streetcar was announced several years ago. According to the Downtown Council of Kansas City, the streetcar announcement has resulted in an increase in development activity specifically along the route. The following map shows development in the urban core and the exiting streetcar route.


◂N S▸
Projects Completed / Under construction
Planned projects
Parks
Streetcar line
Transportation Development District (TDD) Project Map & List
HOUSING PROJECTS INVESTMENT
1 One Light Tower $79M
2 Columbus Park Housing Project $70M
3 2nd & Delaware Housing Project $52M
4 Pickwick Building Renovation $46M
5 East Village Housing Project $39M
6 Folger's Coffee Building Conversion $30M
7 Corrigan Building $22M
8 Scarritt Building $21M
9 Argyle Building $20M
10 Sweeney Building $18M
11 River Market West Lofts $16M
12 Brookfield Building $15M
13 Midland Office Building $12.5M
14 Lucas Place Lofts $12M
15 1914 Main Apartments $10M
16 Centropolis on Grand $8M
17 Maxwell Brisco Garage Conversion $6.5M
18 1515 Walnut Apartments $1.5M
19 718 Grand
OFFICE/RESIDENTIAL MIXED USE INVESTMENT
20 Commerce Tower Conversion $70M
21 Mark Twain Building $16M
HOTEL INVESTMENT
22 ZIC Hotel $48M
23 Courtyard Marriott/Residence Inn $46M
24 Gumbel Building $5M
25 Holiday Inn Express
OFFICE INVESTMENT
26 Sporting Innovations HQ $20M
27 Globe Building Renovation $6.8M
28 2101 Broadway Building Renovation $2.5M
29 Centric Projects HQ
30 Sprint Accelerator
ARTS, ENTERTAINMENT & RECREATION INVESTMENT
31 UMKC Music Conservatory - Potential Sites $90M
32 Downtown YMCA $30M
33 Screenland Crossroads
RETAIL & PARKING INVESTMENT
34 Halls Department Store $10M
35 Webster House Parking Garage $3.9M
36 Cosby Hotel Renovation $3M
37 Arvest Bank $1.8M
38 Anton's Steakhouse
TRANSIT INVESTMENT
39 Downtown Streetcar Line $100M
40 Streetcar Vehicle Maintenance Facility $1.6M
41 3rd & Grand Mixed-Use Transit Center
TOTAL INVESTMENT $966.9M
HOUSING UNITS 2,644
HOTEL ROOMS 447
OFFICE SPACE 339,279
RETAIL SPACE 64,052
downtownKC
DOWNTOWN COUNCIL OF KANSAS CITY
10 TDD MAP
TDD MAP 11

The following table reports land sales in the Crossroads Arts District from 2004 to current. Sites located on the streetcar line sell for a premium when compared to similar sites located off of the streetcar line. Additionally, land value in the Crossroads Arts District has increased since 2004 due to increased public and private redevelopment and demand from end-users. The sample data below reports a significant TOD premium when compared to a similar site off of the streetcar line.

Address	Submarket	SF	Acres	Sale Date	Sale Amount	Price / SF	Streetcar
1521 Main	Crossroads Arts	17,386	0.40	Jun-17	$2,300,000	$132.29	Yes
1935 McGee	Crossroads Arts	10,413	0.24	Aug-14	$256,000	$24.58	No
2001 Main	Crossroads Arts	20,090	0.46	May-14	$975,000	$48.53	Yes
1914 Main	Crossroads Arts	11,841	0.27	Dec-13	$595,000	$50.25	Yes
1535 Baltimore	Crossroads Arts	47,558	1.09	Aug-13	$4,685,000	$98.51	Yes
1918 Walnut	Crossroads Arts	4,738	0.11	Aug-12	$120,000	$25.33	No
305 Southwest Boulevard	Crossroads Arts	9,635	0.22	Jun-10	$290,000	$30.10	No
1736 Oak	Crossroads Arts	8,985	0.21	Dec-08	$221,250	$24.62	No
1801 Walnut	Crossroads Arts	9,782	0.22	Jun-08	$231,500	$23.67	No
1510 McGee	Crossroads Arts	11,435	0.26	Jun-04	$235,000	$20.55	No

Based on the above data, we conclude that the streetcar extension to the Berkley Riverfront would significantly increase the land value when compared to the current *as is* land value of $25.00 per square foot.

RECONCILIATION

The cost, sales comparison, and income approaches were all considered in estimating the market value of the subject property. Due to only the land being valued for each property we have excluded the cost approach and income approach to value in our analysis. The cost approach is used for improved properties and does not apply to land valuation. The income approach through the subdivision development method and the land residual method can be a viable procedure for land held as an investment. Since the purpose of this assignment is to value each individual lot, both the subdivision development method and land residual method are not applicable to this assignment.

Value Conclusions

The following table summarizes the value conclusions according to the sales comparison approach.

Valuation Approach	Effective Date of Value	Lot	Size (SF)	Size (Acres)	Value / SF	Final Value Indication
Sales Comparison	October 4, 2017	3	113,695	2.61	$25.00	$2,840,000
Sales Comparison	October 4, 2017	4	122,575	2.81	$25.00	$3,060,000
Sales Comparison	October 4, 2017	5	121,214	2.78	$25.00	$3,030,000
Sales Comparison	October 4, 2017	6	81,465	1.87	$25.00	$2,040,000
Sales Comparison	October 4, 2017	7	18,090	0.42	-	-
Sales Comparison	October 4, 2017	8	308,337	7.08	$20.00	$6,170,000
Sales Comparison	October 4, 2017	9	198,887	4.57	$22.50	$4,470,000
Sales Comparison	October 4, 2017	10	66,740	1.53	-	-
Sales Comparison	October 4, 2017	12	687,957	15.79	$17.50	$12,040,000
Sales Comparison	October 4, 2017	13	43,688	1.00	-	-

*Lots 7, 10, and 13 will be used for infrastructure and public space and have been accounted for in the value conclusion of each individual lot.

Please note that the reported value is based on the individual retail value to an end user and has not been discounted to account for a bulk purchase of the aggregate property. The value of the entire property is not the sum of the individual lot values. Additionally, Lots 7, 10, and 13 are planned to be used for storm water detention and a public amenity space. We have not included an individual value of Lots 7, 10, and 13 since the contributory values of these lots have been included in the value conclusion of each developable lot.

Marketing Time and Exposure Period

We believe the concluded market value for the subject property is consistent with an anticipated marketing time and exposure period of 24 to 36 months. Our value estimate is consistent with recent sales parameters are considered adequate to generate interest in the property.

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal is also subject to the following general assumptions and limiting conditions.

1. The legal description – if furnished to us – is assumed to be correct.

2. No responsibility is assumed for legal matters, questions of survey or title, soil or subsoil conditions, engineering, availability or capacity of utilities, or other similar technical matters. The appraisal does not constitute a survey of the property appraised. All existing liens and encumbrances have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management unless otherwise noted.

3. Unless otherwise noted, the appraisal will value the property as though free of contamination. Valbridge Property Advisors | Shaner Appraisals, Inc. will conduct no hazardous materials or contamination inspection of any kind. It is recommended that the client hire an expert if the presence of hazardous materials or contamination poses any concern.

4. The stamps and/or consideration placed on deeds used to indicate sales are in correct relationship to the actual dollar amount of the transaction.

5. Unless otherwise noted, it is assumed there are no encroachments, zoning violations or restrictions existing in the subject property.

6. The appraiser is not required to give testimony or attendance in court by reason of this appraisal, unless previous arrangements have been made.

7. Unless expressly specified in the engagement letter, the fee for this appraisal does not include the attendance or giving of testimony by Appraiser at any court, regulatory, or other proceedings, or any conferences or other work in preparation for such proceeding. If any partner or employee of Valbridge Property Advisors | Shaner Appraisals, Inc. is asked or required to appear and/or testify at any deposition, trial, or other proceeding about the preparation, conclusions or any other aspect of this assignment, client shall compensate Appraiser for the time spent by the partner or employee in appearing and/or testifying and in preparing to testify according to the Appraiser's then current hourly rate plus reimbursement of expenses.

8. The values for land and/or improvements, as contained in this report, are constituent parts of the total value reported and neither is (or are) to be used in making a summation appraisal of a combination of values created by another appraiser. Either is invalidated if so used.

9. The dates of value to which the opinions expressed in this report apply are set forth in this report. We assume no responsibility for economic or physical factors occurring at some point at a later date, which may affect the opinions stated herein. The forecasts, projections, or operating estimates contained herein are based on current market conditions and anticipated short-term supply and demand factors and are subject to change with future conditions.

10. The sketches, maps, plats and exhibits in this report are included to assist the reader in

visualizing the property. The appraiser has made no survey of the property and assumed no responsibility in connection with such matters.

11. The information, estimates and opinions, which were obtained from sources outside of this office, are considered reliable. However, no liability for them can be assumed by the appraiser.

12. Possession of this report, or a copy thereof, does not carry with it the right of publication. Neither all, nor any part of the content of the report, or copy thereof (including conclusions as to property value, the identity of the appraisers, professional designations, reference to any professional appraisal organization or the firm with which the appraisers are connected), shall be disseminated to the public through advertising, public relations, news, sales, or other media without prior written consent and approval.

13. No claim is intended to be expressed for matters of expertise that would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers. We claim no expertise in areas such as, but not limited to, legal, survey, structural, environmental, pest control, mechanical, etc.

14. This appraisal was prepared for the sole and exclusive use of the client for the function outlined herein. Any party who is not the client or intended user identified in the appraisal or engagement letter is not entitled to rely upon the contents of the appraisal without express written consent of Valbridge Property Advisors | Shaner Appraisals, Inc. and Client. The Client shall not include partners, affiliates, or relatives of the party addressed herein. The appraiser assumes no obligation, liability or accountability to any third party.

15. Distribution of this report is at the sole discretion of the client, but third-parties not listed as an intended user on the face of the appraisal or the engagement letter may not rely upon the contents of the appraisal. In no event shall client give a third-party a partial copy of the appraisal report. We will make no distribution of the report without the specific direction of the client.

16. This appraisal shall be used only for the function outlined herein, unless expressly authorized by Valbridge Property Advisors | Shaner Appraisals, Inc.

17. This appraisal shall be considered in its entirety. No part thereof shall be used separately or out of context.

18. Unless otherwise noted in the body of this report, this appraisal assumes that the subject property does not fall within the areas where mandatory flood insurance is effective. Unless otherwise noted, we have not completed nor have we contracted to have completed an investigation to identify and/or quantify the presence of non-tidal wetland conditions on the subject property. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.

19. The flood maps are not site specific. We are not qualified to confirm the location of the subject property in relation to flood hazard areas based on the FEMA Flood Insurance Rate Maps or other surveying techniques. It is recommended that the client obtain a confirmation of the subject's flood zone classification from a licensed surveyor.

20. If the appraisal is for mortgage loan purposes 1) we assume satisfactory completion of improvements if construction is not complete, 2) no consideration has been given for rent loss during rent-up unless noted in the body of this report, and 3) occupancy at levels consistent with our "Income and Expense Projection" are anticipated.

21. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover them.

22. Our inspection included an observation of the land and improvements thereon only. It was not possible to observe conditions beneath the soil or hidden structural components within the improvements. We inspected the buildings involved, and reported damage (if any) by termites, dry rot, wet rot, or other infestations as a matter of information, and no guarantee of the amount or degree of damage (if any) is implied. Condition of heating, cooling, ventilation, electrical and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated. Should the client have concerns in these areas, it is the client's responsibility to order the appropriate inspections. The appraiser does not have the skill or expertise to make such inspections and assumes no responsibility for these items.

23. This appraisal does not guarantee compliance with building code and life safety code requirements of the local jurisdiction. It is assumed that all required licenses, consents, certificates of occupancy or other legislative or administrative authority from any local, state or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value conclusion contained in this report is based unless specifically stated to the contrary.

24. When possible, we have relied upon building measurements provided by the client, owner, or associated agents of these parties. In the absence of a detailed rent roll, reliable public records, or "as-built" plans provided to us, we have relied upon our own measurements of the subject improvements. We follow typical appraisal industry methods; however, we recognize that some factors may limit our ability to obtain accurate measurements including, but not limited to, property access on the day of inspection, basements, fenced/gated areas, grade elevations, greenery/shrubbery, uneven surfaces, multiple story structures, obtuse or acute wall angles, immobile obstructions, etc. Professional building area measurements of the quality, level of detail, or accuracy of professional measurement services are beyond the scope of this appraisal assignment.

25. We have attempted to reconcile sources of data discovered or provided during the appraisal process, including assessment department data. Ultimately, the measurements that are deemed by us to be the most accurate and/or reliable are used within this report. While the measurements and any accompanying sketches are considered to be reasonably accurate and reliable, we cannot guarantee their accuracy. Should the client desire a greater level of measuring detail, they are urged to retain the measurement services of a qualified professional (space planner, architect or building engineer). We reserve the right to use an alternative source of building size and amend the analysis, narrative and concluded values (at additional cost) should this alternative measurement source reflect or reveal substantial differences with the measurements used within the report.

26. In the absence of being provided with a detailed land survey, we have used assessment department data to ascertain the physical dimensions and acreage of the property. Should a survey prove this information to be inaccurate, we reserve the right to amend this appraisal (at additional cost) if substantial differences are discovered.

27. If only preliminary plans and specifications were available for use in the preparation of this appraisal, then this appraisal is subject to a review of the final plans and specifications when available (at additional cost) and we reserve the right to amend this appraisal if substantial differences are discovered.
28. Unless otherwise stated in this report, the value conclusion is predicated on the assumption that the property is free of contamination, environmental impairment or hazardous materials. Unless otherwise stated, the existence of hazardous material was not observed by the appraiser and the appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required for discovery. The client is urged to retain an expert in this field, if desired.

29. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We have not made a specific compliance survey of the property to determine if it is in conformity with the various requirements of the ADA. It is possible that a compliance survey of the property, together with an analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this could have a negative effect on the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible noncompliance with the requirements of ADA in developing an opinion of value.

30. This appraisal applies to the land and building improvements only. The value of trade fixtures, furnishings, and other equipment, or subsurface rights (minerals, gas, and oil) were not considered in this appraisal unless specifically stated to the contrary.

31. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated, unless specifically stated to the contrary.

32. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute prediction of future operating results. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance.

33. Any estimate of insurable value, if included within the scope of work and presented herein, is based upon figures developed consistent with industry practices. However, actual local and regional construction costs may vary significantly from our estimate and individual insurance policies and underwriters have varied specifications, exclusions, and non-insurable items. As such, we strongly recommend that the Client obtain estimates from professionals experienced in

establishing insurance coverage. This analysis should not be relied upon to determine insurance coverage and we make no warranties regarding the accuracy of this estimate.

34. The data gathered in the course of this assignment (except data furnished by the Client) shall remain the property of the Appraiser. The appraiser will not violate the confidential nature of the appraiser-client relationship by improperly disclosing any confidential information furnished to the appraiser. Notwithstanding the foregoing, the Appraiser is authorized by the client to disclose all or any portion of the appraisal and related appraisal data to appropriate representatives of the Appraisal Institute if such disclosure is required to enable the appraiser to comply with the Bylaws and Regulations of such Institute now or hereafter in effect.

35. You and Valbridge Property Advisors | Shaner Appraisals, Inc. both agree that any dispute over matters in excess of $5,000 will be submitted for resolution by arbitration. This includes fee disputes and any claim of malpractice. The arbitrator shall be mutually selected. If Valbridge Property Advisors | Shaner Appraisals, Inc. and the client cannot agree on the arbitrator, the presiding head of the Local County Mediation & Arbitration panel shall select the arbitrator. Such arbitration shall be binding and final. In agreeing to arbitration, we both acknowledge that, by agreeing to binding arbitration, each of us is giving up the right to have the dispute decided in a court of law before a judge or jury. In the event that the client, or any other party, makes a claim against Valbridge Property Advisors | Shaner Appraisals, Inc. or any of its employees in connections with or in any way relating to this assignment, the maximum damages recoverable by such claimant shall be the amount actually received by Valbridge Property Advisors | Shaner Appraisals, Inc. for this assignment, and under no circumstances shall any claim for consequential damages be made.

36. Valbridge Property Advisors | Shaner Appraisals, Inc. shall have no obligation, liability, or accountability to any third party. Any party who is not the "client" or intended user identified on the face of the appraisal or in the engagement letter is not entitled to rely upon the contents of the appraisal without the express written consent of Valbridge Property Advisors | Shaner Appraisals, Inc. "Client" shall not include partners, affiliates, or relatives of the party named in the engagement letter. Client shall hold Valbridge Property Advisors | Shaner Appraisals, Inc. and its employees harmless in the event of any lawsuit brought by any third party, lender, partner, or part-owner in any form of ownership or any other party as a result of this assignment. The client also agrees that in case of lawsuit arising from or in any way involving these appraisal services, client will hold Valbridge Property Advisors | Shaner Appraisals, Inc. harmless from and against any liability, loss, cost, or expense incurred or suffered by Valbridge Property Advisors | Shaner Appraisals, Inc. in such action, regardless of its outcome.

37. The Valbridge Property Advisors office responsible for the preparation of this report is independently owned and operated by Shaner Appraisals, Inc. Neither Valbridge Property Advisors, Inc., nor any of its affiliates has been engaged to provide this report. Valbridge Property Advisors, Inc. does not provide valuation services, and has taken no part in the preparation of this report.

38. If any claim is filed against any of Valbridge Property Advisors, Inc., a Florida Corporation, its affiliates, officers or employees, or the firm providing this report, in connection with, or in any way arising out of, or relating to, this report, or the engagement of the firm providing this report,

then (1) under no circumstances shall such claimant be entitled to consequential, special or other damages, except only for direct compensatory damages, and (2) the maximum amount of such compensatory damages recoverable by such claimant shall be the amount actually received by the firm engaged to provide this report.

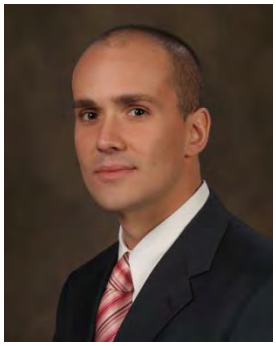
39. This report and any associated work files may be subject to evaluation by Valbridge Property Advisors, Inc., or its affiliates, for quality control purposes.

40. Acceptance and/or use of this appraisal report constitutes acceptance of the foregoing general assumptions and limiting conditions.

ADDENDA

Qualifications
Area Demographics
Engagement Letter
County Information - Parent Parcel
Articles

QUALIFICATIONS



Qualifications of Daniel Kann, MAI MSRE

Director – Multifamily Valuation

Valbridge Property Advisors | Kansas City

Independent Valuations for a Variable World

State Certifications

State of Kansas
State of Missouri
State of Iowa
State of Nebraska

Education

Bachelor of Arts (2005)
University of Northern Iowa
Real Estate Finance | Marketing

Master's (2016)
University of Denver
Real Estate Finance | Construction

Contact Details

913-451-1451 (O)
913-647-4094 (D)
913-529-4121 (F)

Valbridge Property Advisors
10990 Quivira Road, Suite 100
Overland Park, Kansas 66210

www.valbridge.com
DKann@Valbridge.com

Membership/Affiliations

Appraisal Institute (MAI Designation)
CCIM Candidate (CCIM Institute)
Licensed Real Estate Agent (State of Iowa)
Urban Land Institute (Young Leaders)
National Apartment Association (Kansas City Chapter)
International Right of Way Association (Chapter Secretary, 2017)

Recent Appraisal Institute & Related Courses

Real Estate Finance & Investments (University of Denver)
Real Estate Tax (University of Denver)
Residential Construction Systems (University of Denver)
Real Estate Securities and Syndications (University of Denver)
Real Estate Investments & Appraisal (University of Northern Iowa)
Apartment Appraisal and Concepts (Appraisal Institute)
Finance, Statistics and Valuation Modeling (Appraisal Institute)
Argus, Excel, and Computer Modeling (University of Denver)
Understanding Commercial Capitalization Rates (ULI)
General Market Analysis and Highest & Best Use (Appraisal Institute)
Discounted Cash Flow Model: Concepts & Issues (Appraisal Institute)
Advanced Income Capitalization (Appraisal Institute)
Forecasting Revenue (Appraisal Institute)
Advanced Sales Comparison & Cost Approaches (Appraisal Institute)
Analyzing Operating Expenses (Appraisal Institute)

Experience

Director – Multifamily Valuation
Valbridge Property Advisors | Kansas City (2013 - Present)

Real Estate Analyst / General Certified Appraiser
Shaner Appraisals, Inc. (2007 - 2012)

I currently perform valuation and due diligence for investors/developers, life insurance companies, lenders, and REITS pertaining to multifamily properties. The due diligence process consists of property valuation (FHA, Fannie Mae, Freddie Mac, and conventional financing), market studies, feasibility studies, and real estate tax analysis for market rate, Section 42 (LIHTC), and Section 8 (HAP contracts) pertaining to senior, student, and family housing projects.

State of Missouri

Department of Insurance, Financial Institutions and Professional Registration
Division of Professional Registration
Real Estate Appraisers Commission

State Certified General Real Estate Appraiser

Reciprocity

VALID THROUGH JUNE 30, 2018
ORIGINAL CERTIFICATE/LICENSE NO. 2013034806

DANIEL KANN
VALBRIDGE PROPERTY ADVISORS
10990 QUIVIRA RD. #100
SHAWNEE MISSION KS 66210
USA

Vanessa Beauchamp
EXECUTIVE DIRECTOR

DIVISION DIRECTOR

AREA DEMOGRAPHICS

Valbridge PROPERTY ADVISORS

Market Profile

Polygon 104
Area: 6.83 square miles

Prepared by Esri

Population Summary	
2000 Total Population	15,441
2010 Total Population	17,894
2017 Total Population	20,711
2017 Group Quarters	2,357
2022 Total Population	22,355
2017-2022 Annual Rate	1.54%
2017 Total Daytime Population	124,646
Workers	115,781
Residents	8,865
Household Summary	
2000 Households	6,838
2000 Average Household Size	1.90
2010 Households	9,029
2010 Average Household Size	1.71
2017 Households	10,764
2017 Average Household Size	1.71
2022 Households	11,748
2022 Average Household Size	1.70
2017-2022 Annual Rate	1.76%
2010 Families	2,670
2010 Average Family Size	2.84
2017 Families	3,037
2017 Average Family Size	2.82
2022 Families	3,253
2022 Average Family Size	2.81
2017-2022 Annual Rate	1.38%
Housing Unit Summary	
2000 Housing Units	8,049
Owner Occupied Housing Units	18.2%
Renter Occupied Housing Units	66.7%
Vacant Housing Units	15.1%
2010 Housing Units	10,653
Owner Occupied Housing Units	23.2%
Renter Occupied Housing Units	61.6%
Vacant Housing Units	15.2%
2017 Housing Units	12,534
Owner Occupied Housing Units	21.4%
Renter Occupied Housing Units	64.5%
Vacant Housing Units	14.1%
2022 Housing Units	13,629
Owner Occupied Housing Units	21.2%
Renter Occupied Housing Units	65.0%
Vacant Housing Units	13.8%
Median Household Income	
2017	$39,096
2022	$51,643
Median Home Value	
2017	$195,486
2022	$238,361
Per Capita Income	
2017	$36,524
2022	$45,459
Median Age	
2010	31.9
2017	32.8
2022	33.7

Data Note: Household population includes persons not residing in group quarters. Average Household Size is the household population divided by total households. Persons in families include the householder and persons related to the householder by birth, marriage, or adoption. Per Capita Income represents the income received by all persons aged 15 years and over divided by the total population.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2017 and 2022 Esri converted Census 2000 data into 2010 geography.

October 03, 2017

©2017 Esri

2017 Households by Income	
Household Income Base	10,764
<$15,000	22.9%
$15,000 - $24,999	11.2%
$25,000 - $34,999	11.5%
$35,000 - $49,999	13.0%
$50,000 - $74,999	12.2%
$75,000 - $99,999	9.4%
$100,000 - $149,999	9.9%
$150,000 - $199,999	5.0%
$200,000+	4.9%
Average Household Income	$65,842
2022 Households by Income	
Household Income Base	11,748
<$15,000	20.0%
$15,000 - $24,999	9.6%
$25,000 - $34,999	9.1%
$35,000 - $49,999	10.3%
$50,000 - $74,999	12.1%
$75,000 - $99,999	13.0%
$100,000 - $149,999	13.1%
$150,000 - $199,999	6.6%
$200,000+	6.4%
Average Household Income	$82,446
2017 Owner Occupied Housing Units by Value	
Total	2,682
<$50,000	7.2%
$50,000 - $99,999	11.3%
$100,000 - $149,999	11.6%
$150,000 - $199,999	21.9%
$200,000 - $249,999	14.4%
$250,000 - $299,999	10.0%
$300,000 - $399,999	11.7%
$400,000 - $499,999	4.6%
$500,000 - $749,999	3.8%
$750,000 - $999,999	2.0%
$1,000,000 +	1.5%
Average Home Value	$244,789
2022 Owner Occupied Housing Units by Value	
Total	2,885
<$50,000	4.4%
$50,000 - $99,999	7.7%
$100,000 - $149,999	8.5%
$150,000 - $199,999	18.2%
$200,000 - $249,999	14.6%
$250,000 - $299,999	11.0%
$300,000 - $399,999	15.9%
$400,000 - $499,999	7.3%
$500,000 - $749,999	7.1%
$750,000 - $999,999	3.4%
$1,000,000 +	2.0%
Average Home Value	$299,202

Data Note: Income represents the preceding year, expressed in current dollars. Household income includes wage and salary earnings, interest dividends, net rents, pensions, SSI and welfare payments, child support, and alimony.
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2017 and 2022 Esri converted Census 2000 data into 2010 geography.

October 03, 2017

©2017 Esri

2010 Population by Age	
Total	17,894
0 - 4	5.3%
5 - 9	4.1%
10 - 14	3.3%
15 - 24	15.7%
25 - 34	28.7%
35 - 44	14.0%
45 - 54	12.9%
55 - 64	9.0%
65 - 74	3.6%
75 - 84	2.4%
85 +	1.0%
18 +	85.4%
2017 Population by Age	
Total	20,712
0 - 4	4.8%
5 - 9	4.2%
10 - 14	3.5%
15 - 24	13.5%
25 - 34	29.8%
35 - 44	14.4%
45 - 54	11.7%
55 - 64	9.9%
65 - 74	4.8%
75 - 84	2.4%
85 +	1.1%
18 +	85.5%
2022 Population by Age	
Total	22,355
0 - 4	4.8%
5 - 9	4.1%
10 - 14	3.6%
15 - 24	11.7%
25 - 34	29.6%
35 - 44	16.3%
45 - 54	11.2%
55 - 64	9.6%
65 - 74	5.6%
75 - 84	2.6%
85 +	1.0%
18 +	85.5%
2010 Population by Sex	
Males	10,044
Females	7,850
2017 Population by Sex	
Males	11,543
Females	9,169
2022 Population by Sex	
Males	12,359
Females	9,996

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2017 and 2022 Esri converted Census 2000 data into 2010 geography.

October 03, 2017

©2017 Esri

2010 Population by Race/Ethnicity	
Total	17,893
White Alone	57.9%
Black Alone	27.3%
American Indian Alone	0.7%
Asian Alone	3.7%
Pacific Islander Alone	0.1%
Some Other Race Alone	6.7%
Two or More Races	3.6%
Hispanic Origin	17.2%
Diversity Index	70.6
2017 Population by Race/Ethnicity	
Total	20,710
White Alone	58.1%
Black Alone	25.8%
American Indian Alone	0.6%
Asian Alone	4.4%
Pacific Islander Alone	0.1%
Some Other Race Alone	7.0%
Two or More Races	4.0%
Hispanic Origin	18.0%
Diversity Index	71.4
2022 Population by Race/Ethnicity	
Total	22,355
White Alone	57.6%
Black Alone	25.0%
American Indian Alone	0.6%
Asian Alone	4.8%
Pacific Islander Alone	0.2%
Some Other Race Alone	7.4%
Two or More Races	4.4%
Hispanic Origin	19.1%
Diversity Index	72.6
2010 Population by Relationship and Household Type	
Total	17,894
In Households	86.5%
In Family Households	43.8%
Householder	14.8%
Spouse	8.0%
Child	16.9%
Other relative	2.7%
Nonrelative	1.4%
In Nonfamily Households	42.7%
In Group Quarters	13.5%
Institutionalized Population	7.1%
Noninstitutionalized Population	6.5%

Data Note: Persons of Hispanic Origin may be of any race. The Diversity Index measures the probability that two people from the same area will be from different race/ethnic groups.
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2017 and 2022 Esri converted Census 2000 data into 2010 geography.

October 03, 2017

©2017 Esri

2017 Population 25+ by Educational Attainment	
Total	15,337
Less than 9th Grade	4.4%
9th - 12th Grade, No Diploma	8.1%
High School Graduate	13.9%
GED/Alternative Credential	3.4%
Some College, No Degree	17.1%
Associate Degree	5.7%
Bachelor's Degree	27.0%
Graduate/Professional Degree	20.4%
2017 Population 15+ by Marital Status	
Total	18,127
Never Married	57.5%
Married	25.7%
Widowed	3.9%
Divorced	13.0%
2017 Civilian Population 16+ in Labor Force	
Civilian Employed	94.3%
Civilian Unemployed (Unemployment Rate)	5.7%
2017 Employed Population 16+ by Industry	
Total	11,452
Agriculture/Mining	0.0%
Construction	3.4%
Manufacturing	7.8%
Wholesale Trade	2.1%
Retail Trade	8.5%
Transportation/Utilities	4.0%
Information	2.7%
Finance/Insurance/Real Estate	10.3%
Services	57.8%
Public Administration	3.5%
2017 Employed Population 16+ by Occupation	
Total	11,451
White Collar	70.5%
Management/Business/Financial	18.8%
Professional	31.0%
Sales	10.5%
Administrative Support	10.2%
Services	15.6%
Blue Collar	13.9%
Farming/Forestry/Fishing	0.0%
Construction/Extraction	2.4%
Installation/Maintenance/Repair	1.4%
Production	3.8%
Transportation/Material Moving	6.4%
2010 Population By Urban/ Rural Status	
Total Population	17,894
Population Inside Urbanized Area	100.0%
Population Inside Urbanized Cluster	0.0%
Rural Population	0.0%

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2017 and 2022 Esri converted Census 2000 data into 2010 geography.

October 03, 2017

©2017 Esri

2010 Households by Type	
Total	9,030
Households with 1 Person	57.3%
Households with 2+ People	42.7%
Family Households	29.6%
Husband-wife Families	15.8%
With Related Children	4.8%
Other Family (No Spouse Present)	13.7%
Other Family with Male Householder	3.1%
With Related Children	1.5%
Other Family with Female Householder	10.6%
With Related Children	7.8%
Nonfamily Households	13.1%
All Households with Children	14.2%
Multigenerational Households	1.7%
Unmarried Partner Households	8.5%
Male-female	7.0%
Same-sex	1.6%
2010 Households by Size	
Total	9,030
1 Person Household	57.3%
2 Person Household	28.0%
3 Person Household	7.0%
4 Person Household	3.9%
5 Person Household	2.2%
6 Person Household	1.0%
7 + Person Household	0.7%
2010 Households by Tenure and Mortgage Status	
Total	9,029
Owner Occupied	27.4%
Owned with a Mortgage/Loan	21.1%
Owned Free and Clear	6.3%
Renter Occupied	72.6%
2010 Housing Units By Urban/ Rural Status	
Total Housing Units	10,653
Housing Units Inside Urbanized Area	100.0%
Housing Units Inside Urbanized Cluster	0.0%
Rural Housing Units	0.0%

Data Note: Households with children include any households with people under age 18, related or not. Multigenerational households are families with 3 or more parent-child relationships. Unmarried partner households are usually classified as nonfamily households unless there is another member of the household related to the householder. Multigenerational and unmarried partner households are reported only to the tract level. Esri estimated block group data, which is used to estimate polygons or non-standard geography.
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2017 and 2022 Esri converted Census 2000 data into 2010 geography.

October 03, 2017

©2017 Esri

Top 3 Tapestry Segments		
	1.	Metro Renters (3B)
	2.	Set to Impress (11D)
	3.	City Commons (11E)
2017 Consumer Spending		
Apparel & Services: Total $		$20,226,656
Average Spent		$1,879.10
Spending Potential Index		87
Education: Total $		$14,298,123
Average Spent		$1,328.33
Spending Potential Index		91
Entertainment/Recreation: Total $		$26,922,636
Average Spent		$2,501.17
Spending Potential Index		80
Food at Home: Total $		$46,447,970
Average Spent		$4,315.12
Spending Potential Index		86
Food Away from Home: Total $		$31,823,090
Average Spent		$2,956.44
Spending Potential Index		89
Health Care: Total $		$43,728,467
Average Spent		$4,062.47
Spending Potential Index		73
HH Furnishings & Equipment: Total $		$16,953,741
Average Spent		$1,575.04
Spending Potential Index		81
Personal Care Products & Services: Total $		$7,123,048
Average Spent		$661.75
Spending Potential Index		83
Shelter: Total $		$155,377,239
Average Spent		$14,434.90
Spending Potential Index		89
Support Payments/Cash Contributions/Gifts in Kind: Total $		$18,466,398
Average Spent		$1,715.57
Spending Potential Index		73
Travel: Total $		$17,000,941
Average Spent		$1,579.43
Spending Potential Index		76
Vehicle Maintenance & Repairs: Total $		$9,228,989
Average Spent		$857.39
Spending Potential Index		80

Data Note: Consumer spending shows the amount spent on a variety of goods and services by households that reside in the area. Expenditures are shown by broad budget categories that are not mutually exclusive. Consumer spending does not equal business revenue. Total and Average Amount Spent Per Household represent annual figures. The Spending Potential Index represents the amount spent in the area relative to a national average of 100.
Source: Consumer Spending data are derived from the 2013 and 2014 Consumer Expenditure Surveys, Bureau of Labor Statistics. Esri.
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2017 and 2022 Esri converted Census 2000 data into 2010 geography.

October 03, 2017

©2017 Esri

ENGAGEMENT LETTER

Daniel Kann

From: Laird Goldsborough
Sent: Tuesday, October 3, 2017 4:06 PM
To: Daniel Kann
Cc: Shari Schweitzer
Subject: FW: Notice to Proceed: land appraisal for Berkley Riverfront Federal Grant

[redacted]

Laird Goldsborough MAI MRE
Senior Managing Director
Valbridge Property Advisors I Kansas City
10990 Quivira Road, Suite 100
Overland Park, KS 66210
913.647.4985
LinkedIn

From: Joe Perry [mailto:JPerry@portkc.com]
Sent: Tuesday, October 03, 2017 4:00 PM
To: Laird Goldsborough <lgoldsborough@valbridge.com>; Jason Roos <jroos@valbridge.com>
Cc: Matt Prout <MProut@portkc.com>; Mark Coulter <MCoulter@portkc.com>; Michael Collins <MCollins@portkc.com>
Subject: Notice to Proceed: land appraisal for Berkley Riverfront Federal Grant

Laird –

Thank you for the quick response.

I just spoke with our CEO and General Counsel on this topic. This email will serve as your notice to proceed and engagement letter for scope and fee below:

Subject Property: Port KC owned Development Parcels 3, 4, 5, 6, 7, 8, 9, 10, 12, and 13 (Parcel 11 is intentionally omitted – City owned) on Berkley Riverfront Development MPD (map and data charts below according to the approved MPD zoning overlay).

Scope: The appraisal will include a valuation of the land today, with additional commentary regarding the impact of the streetcar expansion. Report to be delivered electronically in PDF format by email by close of business 10/11/2017.

Fee: [redacted]

COUNTY INFORMATION - PARENT PARCEL

Property Information

Parcel ID: 12-800-01-16-00-0-00-000

Condominium Information:
Common Area: 0
Floor:
Unit:
Recorded Area:

Address on this Parcel:
NO ADDRESS ASSIGNED BY CITY
KANSAS CITY, MO 64120

Owner Information:
THE PORT AUTHORITY OF KANSAS CITY MISSOU
300 WYANDOTTE STE 100
KANSAS CITY, MO 64105

Mortgage Holder Information:
No Mortgage Holder Information.

Property Characteristics:
Year Built: NA
Living Area (Approx. sq. ft.): NA
Tax Neighborhood Code: NA
Parcel Area (Approx.): 47.73 (acres), 2,083,219.42 (SqFt)

Property Class (PCA Code): NA

Land Use Type: NA

Tax Code Area:
No Tax Code Area information available at this time.

Assessment Information:
Tax Year: 2017
Market Value: $431,944
Assessed Value: $138,222
Taxable Value: $0
Where are my tax dollars going?

Exemptions and Abatements Status (2016):
No exemptions or abatements.

Community Improvement District (CID):
Property is not in a CID for which Jackson County collects a tax or assessment.

TIF Information:
Property is not in a TIF Plan area or TIF Project area known to Jackson County.

Disclaimer: The information contained in this website is provided to the recipient pursuant to Section 610.011, RSMo. Jackson County makes no warranties or representations of any kind, express or implied, regarding the information, data, or images provided herein. All information, data, and service are provided "as is," and "with all faults" and by accessing this website, the recipient accepts the risk of any errors or omissions. Jackson County is not liable in any way to the users of information, data or service provided herein. By accessing and using this information, data or service you agree to hold the County harmless in all matters and accounts arising from the use or reliance on the completeness or accuracy of this information, data or service.

Property Tax Account Summary

Direct Link to Jackson County Assessment Profile

Parcel Number	12-800-01-16-00-0-00-000	Property Address	0 SITUS VERIFICASTION IN PROGRESS , UNKNOWN, MO

General Information

Property Description	SEC-32 & 33 TWP-50 RNG-33 BEG PT OF INTERSECTION WI SLY LI MO RIVER LEVEE WI TH ELY LI OF BN RR TH N 61 DEG 08 MIN 23 SEC E ALG SD S LI LEVEE 1208.01' TH N 79 DEG 31 MIN 07 SEC E ALG S LI LEVEE 210.92' TH CONT ALG SD S LI LEVEE N 45 DEG 59 MIN 42 SEC E 258. 82' TH S 88 DEG 36 MIN 12 SEC E ALG LEVEE 173.91' TH CONT ALG LEVEE N 60 DEG 59 MIN 52 SEC E 133' TH CONT ALG LEVEE N 07 DEG 03 MIN 44 SEC E 113.81' TH CONT ALG S LI SD LEVEE N 61 DEG 11 MIN 54 SEC E 1142.11' TH S 60 DEG 59 MIN 52 SEC E ALG SD LI 257.9' TH S 82 DEG 47 MIN 57 SEC W ALG LEVEE 102.11' TH S 15 DEG E 40.27' TH N 75 DEG 31 MIN 52 SEC 111.57' TH N 12 DEG 42 MIN 22 SEC W ALG LEVEE 110.22' TH N 61 DEG 29 MIN 57 SEC E ALG S LI LEVEE 154.81' TH ALG A CURVE TO RI 302.25' TH CONT ALG WLY ROW LI S 04 DEG 34 MIN 16 SEC E 884.23' TH S 38 DEG 33 MIN 17 SEC W 127.67' TH S 31 DEG 49 MIN 52 SEC W 111.27' TH S 38 DEG 33 MIN 17 SEC W 265.86' TH ALNG TANG CURV RI RAD 707' ARC 328.77' TH S 65 DEG 11 MIN 55 SEC W 415.54' TH ALNG TANG CURV RI RAD 25' ARC 37.52' TH N 28 DEG 48 MIN 06 SEC W 512.53' TH S 61 DEG 00 MI 01 SEC W 150.28' TH S 60 DEG 59 MIN 02 SEC W 58.77' TH ALONG TANG CURV RI RAD 2420' ARC 311.66' TH S 68 DEG 21 MIN 46 SEC W 144.44' TH ALONG TANG CURV LEFT RAD 206.5' ARC 162.51' TH N 23 DEG 16 MIN 23 SEC E 82.79' TH ALONG TANG CURV RI RAD 115' ARC 93.68' TH S 19 DEG 27 MIN 05 SEC W 100' TH ALONG CURV RI WITH ITB S 68 DEG 22 MIN 51 SEC E RAD 750' ARC 28.38' TH S 27 DEG 15 MIN 41 SEC E 32.43' TH S 25 DEG 53 MIN 52 SEC W 15.99' TH NS 64 DEG 06 MIN 08 SEC E 60' TH N 25 DEG 53 MIN 52 SEC E 15.49' TH S 89 DEG 01 MIN 15 SEC E 28.42' TH S 60 DEG 22 MIN 25 SEC E 97.36' TH S 02 DEG 56 MIN 14 SEC W 212.34' TH ALONG CURV LEFT WI ITB N 67 DEG 33 MIN 17 SEC E RAD 2380 ARC 431.09' TH S 26 DEG E 160' TH SW LY ALONG CURVE TO RIGHT 1092.04' TH CONTINUING ALONG CURVE RIGHT 667.11' TH NWLY ALG SD ELY LI SD RR 93.93' TO POB (PER I-166 PG-13)
Property Category	Land and Improvements
Status	Active, Locally Assessed
Tax Code Area	001

Property Characteristics

No Property Characteristics Found

Parties

Role	Percent	Name	Address
Taxpayer	100	THE PORT AUTHORITY OF KANSAS CITY MISSOU	300 WYANDOTTE STE 100, KANSAS CITY, MO 64105
Owner	100	THE PORT AUTHORITY OF KANSAS CITY MISSOU	300 WYANDOTTE STE 100, KANSAS CITY, MO 64105

Property Values

Value Type	Tax Year 2017	Tax Year 2016	Tax Year 2015	Tax Year 2014	Tax Year 2013
Market Value Total	431,944				
Taxable Value Total	0				
Assessed Value Total	138,222				

Active Exemptions

E02 City

Events

Effective Date	Entry Date-Time	Type	Remarks
01/31/2017	01/31/2017 14:15	Created by Seg/Merge	Created by Seg/Merge 021624, Effective: 01/01/2017 by bindgar

No Charges are currently due.

No Charge Amounts are currently due for this property. If you believe this is incorrect, please contact the Taxpayer Services Unit at (816) 881-3232.

NOTICE: Telephones are staffed during regular business hours (8am to 5pm, Monday through Friday, excluding holidays observed by Jackson County).

Distribution of Current Taxes

District	Amount

Receipts

Date	Receipt No.	Amount Applied	Amount Due	Tendered	Change

No Events Found

REMINDER: Occasionally, the parcel number for a real estate parcel changes, due to a parcel segregation or merge. In such a case, a search of the new parcel number may not reflect tax delinquency or a full tax history concerning that parcel. You may wish to contact us to obtain that information. Or, you may wish to search all relevant parcel numbers of parcels involved in such a segregation or merge. Click here to begin a search on this website to see if a parcel was involved in a segregation or merge occurring within the past five years and to see a list of parent parcel(s) and child parcel(s) involved. **NOTE**: Information concerning a segregation or merge occurring more than five years prior to the search is not available on this website.

ATTENTION: This website will close at 11:00 p.m. on December 31.
Taxes paid online after the website reopens in the New Year will accrue interest, penalties and fees.

Content in Property Account Summary Developed by Manatron, Inc.
@2005-2010 All rights reserved.
Version 1.0.5228.20119

Disclaimer: The information contained in this website is provided to the recipient pursuant to Section 610.011, RSMo. Jackson County makes no warranties or representations of any kind, express or implied, regarding the information, data, or images provided herein. All information, data, and service are provided "as is," and "with all faults" and by accessing this website, the recipient accepts the risk of any errors or omissions. Jackson County is not liable in any way to the users of information, data or service provided herein. By accessing and using this information, data or service you agree to hold the County harmless in all matters and accounts arising from the use or reliance on the completeness or accuracy of this information, data or service.

An error occurred retrieving the segregation & merge information. Please try again later.

Disclaimer: The information contained in this website is provided to the recipient pursuant to Section 610.011, RSMo. Jackson County makes no warranties or representations of any kind, express or implied, regarding the information, data, or images provided herein. All information, data, and service are provided "as is," and "with all faults" and by accessing this website, the recipient accepts the risk of any errors or omissions. Jackson County is not liable in any way to the users of information, data or service provided herein. By accessing and using this information, data or service you agree to hold the County harmless in all matters and accounts arising from the use or reliance on the completeness or accuracy of this information, data or service.

Elected Officials

Kansas City

Mayor:
Name: Sly James
Email: mayor@kcmo.org
View Website

Individual Councilwoman:
Name: Jolie Justus
District: 4
View Website

At-Large Councilwoman:
Name: Katheryn Shields
District: 4
View Website

Jackson County

County Executive:
Name: Frank White Jr. (D)
Email: fwhite@jacksongov.org
View Website

Individual Legislator:
Name: Scott Burnett (D)
District: 1
Email: sburnett@jacksongov.org
View Website

At-Large Legislator:
Name: Crystal Williams (D)
District: 2
Email: crystalwilliams@jacksongov.org
View Website

State of Missouri

Representative:
Ingrid Burnett (D)
District: 19
View Website

Senator:
Jason Holsman (D)
District: 7
View Website

United States

Representative:
Emanuel Cleaver II (D)
District: 5
View Website

Senator: Roy Blunt (R)
View Website

Senator: Claire McCaskill (D)
View Website

Disclaimer: The information contained in this website is provided to the recipient pursuant to Section 610.011, RSMo. Jackson County makes no warranties or representations of any kind, express or implied, regarding the information, data, or images provided herein. All information, data, and service are provided "as is," and "with all faults" and by accessing this website, the recipient accepts the risk of any errors or omissions. Jackson County is not liable in any way to the users of information, data or service provided herein. By accessing and using this information, data or service you agree to hold the County harmless in all matters and accounts arising from the use or reliance on the completeness or accuracy of this information, data or service.

No recent crimes in this area.

Disclaimer: The information contained in this website is provided to the recipient pursuant to Section 610.011, RSMo. Jackson County makes no warranties or representations of any kind, express or implied, regarding the information, data, or images provided herein. All information, data, and service are provided "as is," and "with all faults" and by accessing this website, the recipient accepts the risk of any errors or omissions. Jackson County is not liable in any way to the users of information, data or service provided herein. By accessing and using this information, data or service you agree to hold the County harmless in all matters and accounts arising from the use or reliance on the completeness or accuracy of this information, data or service.

Incentives:

353 Incentive: NA

Capital Project:
Not within a capital improvement project

Community Improvement District: NA

Enterprise Zone: NA

Neighborhood Improvement District: NA

Neighborhood Improvement Program: NA

Urban Renewal District: NA

Planning District: NA

Neighborhood:
Not within a neighborhood association

Neighborhood Association:
Not within a neighborhood

Kansas City Zoning & Landuse:
Not within a zoning or landuse area

Disclaimer: The information contained in this website is provided to the recipient pursuant to Section 610.011, RSMo. Jackson County makes no warranties or representations of any kind, express or implied, regarding the information, data, or images provided herein. All information, data, and service are provided "as is," and "with all faults" and by accessing this website, the recipient accepts the risk of any errors or omissions. Jackson County is not liable in any way to the users of information, data or service provided herein. By accessing and using this information, data or service you agree to hold the County harmless in all matters and accounts arising from the use or reliance on the completeness or accuracy of this information, data or service.

Property Photographs

Disclaimer: The information contained in this website is provided to the recipient pursuant to Section 610.011, RSMo. Jackson County makes no warranties or representations of any kind, express or implied, regarding the information, data, or images provided herein. All information, data, and service are provided "as is," and "with all faults" and by accessing this website, the recipient accepts the risk of any errors or omissions. Jackson County is not liable in any way to the users of information, data or service provided herein. By accessing and using this information, data or service you agree to hold the County harmless in all matters and accounts arising from the use or reliance on the completeness or accuracy of this information, data or service.

Property Information

Parcel ID: 12-720-23-01-00-0-00-000

Condominium Information:
Common Area: 0
Floor:
Unit:
Recorded Area: 3.912 a

Address on this Parcel:
NO ADDRESS ASSIGNED BY CITY
KANSAS CITY, MO 64120

Owner Information:
THE PORT AUTHORITY OF KANSAS CITY MISSOU
300 WYANDOTTE STE 100
KANSAS CITY, MO 64105

Mortgage Holder Information:
No Mortgage Holder Information.

Property Characteristics:
Year Built: NA
Living Area (Approx. sq. ft.): NA
Tax Neighborhood Code: NA
Parcel Area (Approx.): 3.91 (acres), 170,516.37 (SqFt)

Property Class (PCA Code): Commercial Vacant Land (code: 2000)

Land Use Type: NA

Tax Code Area:
Code: 1
City: Kansas City
Fire: NA
Library: Kansas City
School: Kansas City
Water: NA

Assessment Information:
Tax Year: 2017
Market Value: $1,000
Assessed Value: $320
Taxable Value: $0
Where are my tax dollars going?

Exemptions and Abatements Status (2016):
1) Description: E02 - E02 City, E02

Community Improvement District (CID):
Property is not in a CID for which Jackson County collects a tax or assessment.

TIF Information:
Property is not in a TIF Plan area or TIF Project area known to Jackson County.

Disclaimer: The information contained in this website is provided to the recipient pursuant to Section 610.011, RSMo. Jackson County makes no warranties or representations of any kind, express or implied, regarding the information, data, or images provided herein. All information, data, and service are provided "as is," and "with all faults" and by accessing this website, the recipient accepts the risk of any errors or omissions. Jackson County is not liable in any way to the users of information, data or service provided herein. By accessing and using this information, data or service you agree to hold the County harmless in all matters and accounts arising from the use or reliance on the completeness or accuracy of this information, data or service.

Property Tax Account Summary

Direct Link to Jackson County Assessment Profile

Parcel Number	12-720-23-01-00-0-00-000	Property Address	NO ADDRESS ASSIGNED BY CITY , KANSAS CITY, MO 64120

General Information

Property Description	SEC-33 TWP-50 RNG-33---ALL TH PT NW 1/4 DAF: BEG AT A PT OF INTERSEC W ELY ROW RIVERFRONT DR WITH NLY ROW LI OF FRONT ST TH ELY ALG NLY LI FRONT ST 392.46' TH NELY ALG A CURVE 46.39 TO WLY ROW LI I35/29 ROW TH NLY ALG SD WLY ROW LI 122.73' TH CONT ALG SD WLY ROW LI N 05 DEG 25 MIN 58 SEC W 293.02' TH N 19 DEG 45 MIN 19 SEC W 51.67' TO SLY ROW LI RIVERFRONT DR. TH SWLY ALG SD SLY ROW LI 202.38 TH SWLY ALG SLY & ELY LI OF RIVERFRONT DR & ALG A CURVE TO LF 495.70' TH SELY 30.64' TH POB
Property Category	Land and Improvements
Status	Active, Locally Assessed
Tax Code Area	001

Property Characteristics

Property Class	2000

Parties

Role	Percent	Name	Address
Taxpayer	100	THE PORT AUTHORITY OF KANSAS CITY MISSOU	300 WYANDOTTE STE 100, KANSAS CITY, MO 64105
Owner	100	THE PORT AUTHORITY OF KANSAS CITY MISSOU	300 WYANDOTTE STE 100, KANSAS CITY, MO 64105

Property Values

Value Type	Tax Year 2017	Tax Year 2016	Tax Year 2015	Tax Year 2014	Tax Year 2013
Market Value Total	1,000	1,000	1,000	1,000	
Taxable Value Total	0	0	0	0	
Assessed Value Total	320	320	320	320	

Active Exemptions

E02 City

Events

Effective Date	Entry Date-Time	Type	Remarks
04/02/2014	04/02/2014 15:25	Created by Seg/Merge	Created by Seg/Merge 020570, Effective: 04/02/2014 by shelpau

No Charges are currently due.

No Charge Amounts are currently due for this property. If you believe this is incorrect, please contact the Taxpayer Services Unit at (816) 881-3232.

NOTICE: Telephones are staffed during regular business hours (8am to 5pm, Monday through Friday, excluding holidays observed by Jackson County).

Distribution of Current Taxes

District	Amount
BOARD OF DISABLED SERVICES	0.000000
CITY - KANSAS CITY	0.000000
JACKSON COUNTY	0.000000
KANSAS CITY LIBRARY	0.000000
KANSAS CITY SCHOOL #33	0.000000
MENTAL HEALTH	0.000000
METRO JUNIOR COLLEGE	0.000000
STATE BLIND PENSION	0.000000

Receipts

Date	Receipt No.	Amount Applied	Amount Due	Tendered	Change
No Events Found					

REMINDER: Occasionally, the parcel number for a real estate parcel changes, due to a parcel segregation or merge. In such a case, a search of the new parcel number may not reflect tax delinquency or a full tax history concerning that parcel. You may wish to contact us to obtain that information. Or, you may wish to search all relevant parcel numbers of parcels involved in such a segregation or merge. Click here to begin a search on this website to see if a parcel was involved in a segregation or merge occurring within the past five years and to see a list of parent parcel(s) and child parcel(s) involved. **NOTE**: Information concerning a segregation or merge occurring more than five years prior to the search is not available on this website.

ATTENTION: This website will close at 11:00 p.m. on December 31.
Taxes paid online after the website reopens in the New Year will accrue interest, penalties and fees.

Content in Property Account Summary Developed by Manatron, Inc.
@2005-2010 All rights reserved.
Version 1.0.5228.20119

Disclaimer: The information contained in this website is provided to the recipient pursuant to Section 610.011, RSMo. Jackson County makes no warranties or representations of any kind, express or implied, regarding the information, data, or images provided herein. All information, data, and service are provided "as is," and "with all faults" and by accessing this website, the recipient accepts the risk of any errors or omissions. Jackson County is not liable in any way to the users of information, data or service provided herein. By accessing and using this information, data or service you agree to hold the County harmless in all matters and accounts arising from the use or reliance on the completeness or accuracy of this information, data or service.

Property Information

Parcel ID: 12-720-24-01-00-0-00-000

Condominium Information:
Common Area: 0
Floor:
Unit:
Recorded Area: 3.979 a

Address on this Parcel:
NO ADDRESS ASSIGNED BY CITY
KANSAS CITY, MO 64120

Owner Information:
THE PORT AUTHORITY OF KANSAS CITY MISSOU
300 WYANDOTTE STE 100
KANSAS CITY, MO 64105

Mortgage Holder Information:
No Mortgage Holder Information.

Property Characteristics:
Year Built: NA
Living Area (Approx. sq. ft.): NA
Tax Neighborhood Code: NA
Parcel Area (Approx.): 4.00 (acres), 174,758.86 (SqFt)

Property Class (PCA Code): Commercial Vacant Land (code: 2000)

Land Use Type: NA

Tax Code Area:
Code: 1
City: Kansas City
Fire: NA
Library: Kansas City
School: Kansas City
Water: NA

Assessment Information:
Tax Year: 2017
Market Value: $1,000
Assessed Value: $320
Taxable Value: $0
Where are my tax dollars going?

Exemptions and Abatements Status (2016):
1) Description: E02 - E02 City, E02

Community Improvement District (CID):
Property is not in a CID for which Jackson County collects a tax or assessment.

TIF Information:
Property is not in a TIF Plan area or TIF Project area known to Jackson County.

Disclaimer: The information contained in this website is provided to the recipient pursuant to Section 610.011, RSMo. Jackson County makes no warranties or representations of any kind, express or implied, regarding the information, data, or images provided herein. All information, data, and service are provided "as is," and "with all faults" and by accessing this website, the recipient accepts the risk of any errors or omissions. Jackson County is not liable in any way to the users of information, data or service provided herein. By accessing and using this information, data or service you agree to hold the County harmless in all matters and accounts arising from the use or reliance on the completeness or accuracy of this information, data or service.

Property Tax Account Summary

Direct Link to Jackson County Assessment Profile

Parcel Number	12-720-24-01-00-0-00-000	Property Address	NO ADDRESS ASSIGNED BY CITY , KANSAS CITY, MO 64120

General Information

Property Description	SEC-33 TWP-50 RNG-33---ALL TH PT NW 1/4 DAF: BEG AT A PT OF INTERSEC W ELY ROW LYDIA AVE WITH SLY ROW LI OF FRONT ST TH NELY ALG SLY ROW FRONT ST 100' TH CONT NELY ALG SLY ROW LI & ALG A CURVE TO RI 231.15' TH CONT ELY ALG NLY ROW 70.33' TO WLY ROW LI I35/29 ROW TH N 04 DEG 41 MIN 05 SEC W ALG WLY ROW LI 280.91' TH N 31 DEG 18 MIN 54 SEC E 178.01' TH N 70 DEG 36 MIN 08 SEC E 192.15' TH S37 DEG 50 MIN 01 SEC W 246.34' TO ELY ROW LI LYDIA TH SWLY ALG SD ELY ROW LI 311.13' TO POB
Property Category	Land and Improvements
Status	Active, Locally Assessed
Tax Code Area	001

Property Characteristics

Property Class	2000

Parties

Role	Percent	Name	Address
Taxpayer	100	THE PORT AUTHORITY OF KANSAS CITY MISSOU	300 WYANDOTTE STE 100, KANSAS CITY, MO 64105
Owner	100	THE PORT AUTHORITY OF KANSAS CITY MISSOU	300 WYANDOTTE STE 100, KANSAS CITY, MO 64105

Property Values

Value Type	Tax Year 2017	Tax Year 2016	Tax Year 2015	Tax Year 2014	Tax Year 2013
Market Value Total	1,000	1,000	1,000	1,000	
Taxable Value Total	0	0	0	0	
Assessed Value Total	320	320	320	320	

Active Exemptions

E02 City

Events

Effective Date	Entry Date-Time	Type	Remarks
04/02/2014	04/02/2014 15:25	Created by Seg/Merge	Created by Seg/Merge 020570, Effective: 04/02/2014 by shelpau

No Charges are currently due.

No Charge Amounts are currently due for this property. If you believe this is incorrect, please contact the Taxpayer Services Unit at (816) 881-3232.

NOTICE: Telephones are staffed during regular business hours (8am to 5pm, Monday through Friday, excluding holidays observed by Jackson County).

Distribution of Current Taxes

District	Amount
BOARD OF DISABLED SERVICES	0.000000
CITY - KANSAS CITY	0.000000
JACKSON COUNTY	0.000000
KANSAS CITY LIBRARY	0.000000
KANSAS CITY SCHOOL #33	0.000000
MENTAL HEALTH	0.000000
METRO JUNIOR COLLEGE	0.000000
STATE BLIND PENSION	0.000000

Receipts

Date	Receipt No.	Amount Applied	Amount Due	Tendered	Change
No Events Found					

REMINDER: Occasionally, the parcel number for a real estate parcel changes, due to a parcel segregation or merge. In such a case, a search of the new parcel number may not reflect tax delinquency or a full tax history concerning that parcel. You may wish to contact us to obtain that information. Or, you may wish to search all relevant parcel numbers of parcels involved in such a segregation or merge. Click here to begin a search on this website to see if a parcel was involved in a segregation or merge occurring within the past five years and to see a list of parent parcel(s) and child parcel(s) involved. **NOTE**: Information concerning a segregation or merge occurring more than five years prior to the search is not available on this website.

ATTENTION: This website will close at 11:00 p.m. on December 31.
Taxes paid online after the website reopens in the New Year will accrue interest, penalties and fees.

Content in Property Account Summary Developed by Manatron, Inc.
@2005-2010 All rights reserved.
Version 1.0.5228.20119

Disclaimer: The information contained in this website is provided to the recipient pursuant to Section 610.011, RSMo. Jackson County makes no warranties or representations of any kind, express or implied, regarding the information, data, or images provided herein. All information, data, and service are provided "as is," and "with all faults" and by accessing this website, the recipient accepts the risk of any errors or omissions. Jackson County is not liable in any way to the users of information, data or service provided herein. By accessing and using this information, data or service you agree to hold the County harmless in all matters and accounts arising from the use or reliance on the completeness or accuracy of this information, data or service.

Property Information

Parcel ID: 12-800-01-14-00-0-00-000

Condominium Information:
Common Area: 0
Floor:
Unit:
Recorded Area: 0.7892 a

Address on this Parcel:
NO ADDRESS ASSIGNED BY CITY
KANSAS CITY, MO 64120

Owner Information:
THE PORT AUTHORITY OF KANSAS CITY MISSOU
300 WYANDOTTE STE 100
KANSAS CITY, MO 64105

Mortgage Holder Information:
No Mortgage Holder Information.

Property Characteristics:
Year Built: NA
Living Area (Approx. sq. ft.): NA
Tax Neighborhood Code: NA
Parcel Area (Approx.): 0.79 (acres), 34,370.42 (SqFt)

Property Class (PCA Code): NA

Land Use Type: NA

Tax Code Area:
No Tax Code Area information available at this time.

Assessment Information:
Tax Year: 2017
Market Value: $7,246
Assessed Value: $2,319
Taxable Value: $0
Where are my tax dollars going?

Exemptions and Abatements Status (2016):
No exemptions or abatements.

Community Improvement District (CID):
Property is not in a CID for which Jackson County collects a tax or assessment.

TIF Information:
Property is not in a TIF Plan area or TIF Project area known to Jackson County.

Disclaimer: The information contained in this website is provided to the recipient pursuant to Section 610.011, RSMo. Jackson County makes no warranties or representations of any kind, express or implied, regarding the information, data, or images provided herein. All information, data, and service are provided "as is," and "with all faults" and by accessing this website, the recipient accepts the risk of any errors or omissions. Jackson County is not liable in any way to the users of information, data or service provided herein. By accessing and using this information, data or service you agree to hold the County harmless in all matters and accounts arising from the use or reliance on the completeness or accuracy of this information, data or service.

Property Tax Account Summary

Direct Link to Jackson County Assessment Profile

Parcel Number	12-800-01-14-00-0-00-000	Property Address	0 SITUS VERIFICASTION IN PROGRESS , UNKNOWN, MO

General Information

Property Description	BERKLEY RIVERFRONT PARK---TRACT D
Property Category	Land and Improvements
Status	Active, Locally Assessed
Tax Code Area	001

Property Characteristics

No Property Characteristics Found

Parties

Role	Percent	Name	Address
Taxpayer	100	THE PORT AUTHORITY OF KANSAS CITY MISSOU	300 WYANDOTTE STE 100, KANSAS CITY, MO 64105
Owner	100	THE PORT AUTHORITY OF KANSAS CITY MISSOU	300 WYANDOTTE STE 100, KANSAS CITY, MO 64105

Property Values

Value Type	Tax Year 2017	Tax Year 2016	Tax Year 2015	Tax Year 2014	Tax Year 2013
Market Value Total	7,246				
Taxable Value Total	0				
Assessed Value Total	2,319				

Active Exemptions

E02 City

Events

Effective Date	Entry Date-Time	Type	Remarks
01/31/2017	01/31/2017 14:15	Created by Seg/Merge	Created by Seg/Merge 021624, Effective: 01/01/2017 by bindgar

No Charges are currently due.

No Charge Amounts are currently due for this property. If you believe this is incorrect, please contact the Taxpayer Services Unit at (816) 881-3232.

NOTICE: Telephones are staffed during regular business hours (8am to 5pm, Monday through Friday, excluding holidays observed by Jackson County).

Distribution of Current Taxes

District	Amount

Receipts

Date	Receipt No.	Amount Applied	Amount Due	Tendered	Change

No Events Found

REMINDER: Occasionally, the parcel number for a real estate parcel changes, due to a parcel segregation or merge. In such a case, a search of the new parcel number may not reflect tax delinquency or a full tax history concerning that parcel. You may wish to contact us to obtain that information. Or, you may wish to search all relevant parcel numbers of parcels involved in such a segregation or merge. Click here to begin a search on this website to see if a parcel was involved in a segregation or merge occurring within the past five years and to see a list of parent parcel(s) and child parcel(s) involved. **NOTE**: Information concerning a segregation or merge occurring more than five years prior to the search is not available on this website.

ATTENTION: This website will close at 11:00 p.m. on December 31.
Taxes paid online after the website reopens in the New Year will accrue interest, penalties and fees.

Content in Property Account Summary Developed by Manatron, Inc.
@2005-2010 All rights reserved.
Version 1.0.5228.20119

Disclaimer: The information contained in this website is provided to the recipient pursuant to Section 610.011, RSMo. Jackson County makes no warranties or representations of any kind, express or implied, regarding the information, data, or images provided herein. All information, data, and service are provided "as is," and "with all faults" and by accessing this website, the recipient accepts the risk of any errors or omissions. Jackson County is not liable in any way to the users of information, data or service provided herein. By accessing and using this information, data or service you agree to hold the County harmless in all matters and accounts arising from the use or reliance on the completeness or accuracy of this information, data or service.

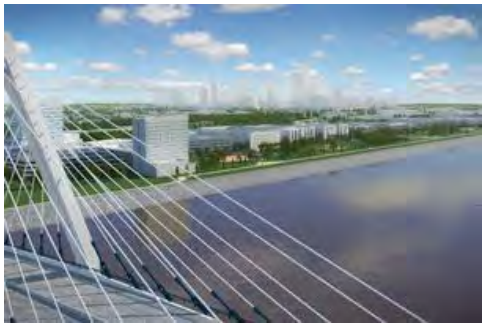
ARTICLES

FOR THE EXCLUSIVE USE OF LGOLDSBOROUGH@VALBRIDGE.COM

From the Kansas City Business Journal:
https://www.bizjournals.com/kansascity/news/2017/06/28/berkley-riverfront-developers-port-kc.html

Berkley Riverfront developers: We've got momentum

Jun 28, 2017, 3:04pm CDT **Updated: Jun 28, 2017, 5:15pm CDT**



PORT KC

Port KC and the developers of a new Berkley Riverfront Park project gathered Wednesday in Downtown to unveil a new brand logo for the development and announce that the work remains on track.

Despite delays in the early phase of development, everything is on schedule with Union, which will be ready next summer and include 410 luxury apartments, 12,000 square feet of commercial space and structured parking, said Marissa Cleaver Wamble, vice president of corporate communications for Port KC.

"If you go down to the riverfront, you can see vertical construction," she said.

One other development, a dog park and restaurant called Bar K, plans to open in the spring but has a temporary indoor dog facility until its grand opening at the riverfront.

RELATED: Lots of multifamily washing up near Downtown's riverfront

Although the streetcar extension to Berkley Riverfront Park is not official, a feasibility study will be announced in a few weeks, which Wamble said gained the interest of many national developers.

"They're excited about being on the river and being able to connect to the Kansas City streetcar," she said.

Port KC has the same interest and has agreed to turn to a national developer for another parcel that will be announced soon.

Typically, the master plan for development has a single developer to build everything simultaneously, but approaching the project one piece at a time proved to be "working much better," Wamble said

Port KC CEO Michael Collins said he looks forward to creating an inclusive development that will have appeal beyond Kansas City proper.

"People from Independence, Johnson County, Leawood and Olathe — this is everyone's riverfront," he said.

The riverfront's momentum has allowed it to generate dense development in an urban setting that provides suburban amenities, including a resort-style pool, sky bar with downtown views, gaming lounge, fitness club, indoor/outdoor yoga and pilates, pet wash and bicycle bar.

FOR THE EXCLUSIVE USE OF LGOLDSBOROUGH@VALBRIDGE.COM

From the Kansas City Business Journal:
https://www.bizjournals.com/kansascity/news/2017/09/28/kc-streetcar-authority-extension-tiger-grant.html

KC Streetcar Authority advances extension effort, will seek federal grant

Sep 28, 2017, 2:53pm CDT

The Kansas City Streetcar Authority approved the next phase of a study for its riverfront extension and multimodal project extension on Thursday.

PORT KC

A rendering of the streetcar at Berkley Riverfront Park.

The $300,000 study, led by Burns & McDonnell, would focus on the design for the northern extension, including an environmental assessment, structural evaluation of the Grand Boulevard Bridge and financial strategies for the half-mile extension to Berkley Riverfront Park.

The project is led by the Port Authority of Kansas City, the KC Streetcar Authority and the **Kansas City Area Transportation Authority**. Port KC will fully fund this phase of the study.

The study's first portion determined that the best route for the northern extension was to continue over the bridge from Third Street and Grand Avenue. The cost of the expansion was estimated at $30 million, including construction costs, an additional vehicle, design and oversight.

“The big takeaway on (the study) is that it was deemed feasible,” said Tom Gerend, executive director of the KC Streetcar Authority. “Since that point in time, we’ve been working closely with that partnership to think about how we move to the next step in this effort.”

The KC Streetcar Authority considered seeking federal funding to cover the cost of the project. It previously received $20 million through the Transportation Investment Generating Economic Recovery program (TIGER) for the construction of the downtown streetcar line in 2013.

The KC Streetcar Authority will seek another TIGER grant to help fund the extension to Berkley Riverfront Park, but it’s not yet certain whether its prospects will be as favorable under the Trump administration. The deadline to apply for the grant is Oct. 16.

“Historically, it’s been a favorable program for streetcars,” Gerend said. “There are still a lot of questions about how the current administration is going to view the program. It’s an opportunity but by no means a slam dunk.”

The streetcar hit another milestone on Thursday: It picked up rider No. 3 million.

FOR THE EXCLUSIVE USE OF LGOLDSBOROUGH@VALBRIDGE.COM

From the Kansas City Business Journal:
https://www.bizjournals.com/kansascity/news/2016/07/07/bar-k-dog-park-bar-and-coffeehouse.html

Port KC, developer will add dog park, bar and coffeehouse on riverfront

Jul 7, 2016, 1:08pm CDT **Updated: Jul 7, 2016, 4:34pm CDT**

Port KC announced Thursday that it is partnering with Kansas City developer Bear Bishop LLC to build a dog park, bar and coffeehouse called "Bar K" at Berkley Riverfront, the acreage it owns around Berkley Riverfront Park on the southern bank of the Missouri River.

PORT KC

This rendering shows a dog park, bar and coffeehouse called "Bar K" that will be located on an undeveloped, 2-acre lot on the western edge of the Berkley Riverfront, partially under the Heart of America Bridge.

Pending the necessary permits and approvals from the city of Kansas City, Bar K will be located on an undeveloped, 2-acre lot on the western edge of the Berkley Riverfront, partially under the Heart of America Bridge.

"Bar K is going to be a great additional amenity to the Riverfront," Port KC CEO Michael Collins said in a release. "Many Berkley Riverfront Park visitors enjoy bringing their dogs to the park to run and play. This project gives us the opportunity to utilize 'found space' under the bridge, and convert it into an exciting, dedicated, vibrant new meeting space for dogs, dog enthusiasts and others in Kansas City."

Bar K will feature a dog park with large and small dog play areas, as well as a bar, restaurant and coffeehouse. In keeping with the riverfront location, the bar and coffeehouse will be built in a modern/industrial style using repurposed shipping containers. The dog park will have all-weather seating areas, and it will be staffed at all times with trained Bar K employees so customers won't have to worry about their pets if they want to step inside for a drink or a healthy bite to eat.

"We couldn't be more thrilled to have the opportunity to build Bar K next to Berkley Riverfront Park," Leib Dodell, co-managing partner of Bear Bishop LLC, said in the release. "The site is absolutely spectacular, it's centrally located and easy to access from anywhere in the KC metro, and the bridge will provide year-round shade and shelter for our customers, both human and dog."

To promote the project, Bar K will host a a "Pup-Up Party" on Sunday at the proposed location on the riverfront. The event will feature booths from more than 20 local pet-related businesses and nonprofits, a temporary dog park, a beer tent, and a dog-friendly 5K race along the scenic and historic Riverfront Heritage Trail.

The event also will mark the kickoff of Bar K's crowdfunding campaign, which will help the company raise the funds necessary to complete the project with all of the features that will make Bar K a one-of-a-kind